MJ means more than metal

FINANCIAL TIMES

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NEWS SUMMARY

GENERAL

Bomber reward man killed

...isher and television personality Mr. Ross McWhirter was shot dead by gunmen at the doorway of his home in Enfield, Middlesex, last night. Police are working on the theory that the murderers may have been connected with the IRA.

Mr. McWhirter, 50, joint compiler of the Guinness Book of Records with his identical twin brother Norris, recently launched a £50,000 reward for information leading to the arrest of the London bombers.

Earlier this month he started an anti-Socialist journal called Majority. He claimed to have printing presses ready to be used in the event of a national Press strike and had worked out a scheme to get commuters to work in the event of a rail strike.

'Ambushed'

The murderers—believed to be at least two men—were hiding in the garden of the McWhirter home and may have shot him when he opened the door for his wife who had just arrived.

Mr. McWhirter was wounded and died later at Chase Farm hospital. His house was cordoned off by police. Detectives were later joined there by members of the Bomb Squad.

Labour MPs rebuff Left

Leftwing Labour MPs suffered a crushing defeat last night when moderates or Right-wing MPs won all six back-bench places on the Parliamentary liaison committee. Mr. Eric Heffer, Mr. Frank Allun and Mr. Ian Mikardo failed to obtain seats. **Philip Rawstorne Back Page.**

Madrid police charge crowd

As King Juan Carlos of Spain was receiving the tributes of Western leaders in Madrid, riot police used batons, tear-gas and water cannon against a crowd of 2,000 who had gathered outside Madrid's main prison to await the release of political prisoners. About 30 people were believed to have been arrested. **Page 6**

Armagh gun battle

Troops fought a 10-minute gun battle at Middletown on the South Armagh border after IRA terrorists opened fire on them from inside the Irish Republic. No casualties were reported. At Stormont Castle, Ulster security chiefs discussed how to combat the border flare-ups.

Short for Cairo

Cairo newspapers said that talks between Egypt and the Soviet Union over the re-scheduling of Egyptian debts had broken down. **Page 4.** Mr. Edward Short, Lord President of the Council, will begin a week's official visit to Egypt on Sunday.

£50,000 cello

A cello made by Stradivari in 1721 fetched £50,000 at Sotheby's yesterday. The anonymous buyer will keep it in Britain. An early juke box, made in about 1947, fetched £2,000. **Saleroom Page 2**

Briefly . . .

Small amount of explosive was found inside the Irish Republic's Portlaoise jail where Provisional IRA prisoners have been throwing crockery from their cells.

World heavyweight champion Muhammed Ali is planning to start a trading business in the Arab world with a capital of $50m.

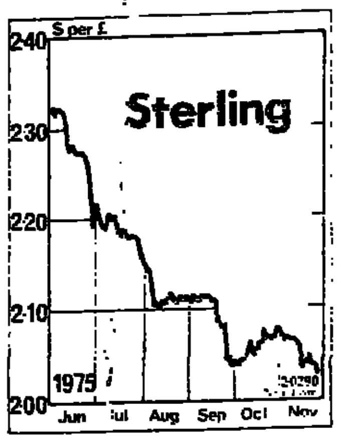
Air France has received 2,500 bookings for its Concorde flights to Brazil starting next January 21.

French drinks company Pernod launched a new British under-21 annual tennis tournament, to start next autumn. Seven nations will be invited to compete. **Page 29**

BUSINESS

£ at new closing low of $2.0290

● **STERLING** lost 35 points for a new closing low of $2.0290; its weighted depreciation reached an all-time low of 29.9 per cent. before recovering to close unchanged at 29.8 per cent. The dollar's was unavailable because of the Thanksgiving Day holiday.



● **EQUITIES** were depressed by reduced third-quarter ICI profit and the FT 30-share index fell 7.2 to 360.3. The FT-Actuaries All-Share index lost 1.7 per cent. to 153.75.

● **GOLD** lost $1¼ to $138¾.

● **GILTS** moved little in slow trading.

Manufacturing investment drop

● **MANUFACTURING** *investment fell another 6 per cent. in* the third quarter and stocks fell by a record margin. **Page 7**

● **SOME 900,000** Slater Walker Securities shares were sold on behalf of group directors and executives between April 17 and November 15 this year following the introduction of a hitherto secret "stop-loss" arrangement in the share incentive scheme. **Back Page**

● **BRITISH GOVERNMENT** is being subjected to heavy diplomatic pressure from the U.S., Japan and several EEC countries to abandon its planned introduction of import controls. **Back Page**

● **MR. LESLIE MURPHY**, deputy chairman of Schroders, has been appointed full-time deputy chairman of the National Enterprise Board. **Back Page**

ENERGY

● **RIVER SEVERN** tidal power scheme would generate electricity at greater cost than nuclear production, the Central Electricity Generating Board has reported. **Page 8.** Mr. Anthony Wedgwood Benn, Energy Secretary, approved an outline plan for the first stage of Dinorwic generating station in Snowdonia, Wales, which will form part of Europe's largest pumped storage hydro-electric scheme. **Feature, Page 29**

● **OCTOBER COAL** output was up 3 per cent. on 1974, although production per man-shift was lower. Undistributed stocks are now higher than for nearly two years. **Page 8**

COMPANIES

● **GUEST** Keen and Nettlefolds hopes to expand its European motor component activities with the acquisition of a controlling interest in Sachs of West Germany. **Back Page.**

● **NATIONAL and Commercial** Banking Group pre-tax profit for the year to October fell 10 per cent. to £37.23m. Final dividend of 1.093p lifts the net total to 2.143p (2.0082p). **Page 22 and Lex**

● **LONRHO** plans a one-for-five scrip issue. Pre-tax profit for the year to October rose to £62m. (£46.5m.). **Page 21 and Lex**

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES		
Anglo-Am. Asphalt	170	+ 14
Harmo Inds.	41½	+ 3½
Johnson Matthey	293	+ 13
Runciman (W.)	128	+ 8
Weyburn Eng.	345	+ 19
Cons. Murchison	740	+ 20
Robe River	95	+ 10
Sabina	118	+ 6
FALLS		
BPB Inds.	152	− 8
Boots	130	− 7
Brady Inds	73	− 6
Brit. Home Stores	335	− 13
Caird (Dundee)	20	− 11
Dowty	136	− 5
Finlay (J.)	132	− 6
Furness Withy	197	− 13
GKN	251	− 6
Hawker Siddeley	320	− 6
Hazlewoods (Proprietary)	18	− 7
IC Gas	360	− 16
Johnson-Richards Tiles	183	− 9
Laing (J.) "A"	128	− 5
Land Secs.	171	− 6
London and Midland	54	− 4½
Lucas Inds.	168	− 6
MEPC	62	− 4
McCorquodale	216	− 8
Reed Int'l.	232	− 6
Royal Worcester	115	− 6
Tarmac	166	− 6
Tunnel Hldgs. "B"	176	− 9
Turner and Newall	141	− 5
Unilever	408	− 8
Valor	34	− 4
Wade Potteries	27	− 4
BP	560	− 8
Libanon	545	− 30
Loraine	145	− 10
Pancontinental	890	− 35
Pot. Plat	155	− 5

Assemblies for Scotland and Wales but Westminster sovereignty stays

MPs cool to devolution plans

BY RICHARD EVANS, LOBBY CORRESPONDENT

DIRECTLY ELECTED Assemblies for Scotland and Wales are proposed in the Government's White Paper on devolution published yesterday, but the Westminster Parliament would retain absolute sovereignty over the United Kingdom and would have power to override any Scottish laws considered to be against the national interest.

Mr. Edward Short, Lord President and one of the chief architects of the White Paper, claimed that the proposals would satisfy moderate opinion throughout Scotland and Wales "without getting us on to the slippery slope of separation."

But initial reactions at Westminster were far from favourable and the Government is likely to face an alarming combination of critics when the proposals come before Parliament.

Predictably, the Scottish National Party heaped abuse on the White Paper, claiming that Scotland was "insulted" by the complete veto powers retained by Westminster.

But more ominously for Ministers, there was scornful criticism from the Welsh Nationalists, the Liberals and from many Labour backbenchers, and cautious opposition from Conservative leaders.

Ministers have allowed two lengthy stages for consultations in Scotland, Wales and at Westminster before a draft Bill is published in the spring, and then *before legislation proper* is brought forward at the beginning of the next Parliamentary session in a year's time.

But the prospects of getting the proposals through in their present form must remain open to doubt.

Mr. Short admitted in London yesterday that there was now very little prospect of setting up the Assemblies before 1978, and this could bring the timetable into conflict with the next General Election.

In contrast to Mr. Short's belief that the proposals will stop the nationalists' bandwagon, SNP leaders at Westminster were cock-a-hoop at the prospect of scooping up more political support in Scotland at the expense of the Labour Party. Mr. Donald Stewart, the party's leader, described the White Paper as "a launching pad for self-government."

The over-riding theme of the 73-page White Paper is that the U.K. must remain united. Although there would be a "massive hand-over" of responsibilities for the domestic affairs of Scotland and Wales, this would be "within the firm continuing framework of the United Kingdom."

- **Directly elected Assemblies for Scotland and Wales.**
- **Scottish Assembly would make laws over a wide range of domestic issues.**
- **Welsh Assembly would have executive functions only, including powers over policy-making**
- **Westminster would retain all its sovereign powers and could stop legislation**
- **The Assemblies would have block grants from the central Exchequer to spend as they wished.**
- **They could also raise revenue by a levy on rates.**
- **Scotland would have no control of foreign affairs, defence or economic policies, or of North Sea oil revenues.**
- **Initial capital costs are estimated at £4m. with additional annual costs of £22m.**

The document, described by Ministers as the most significant constitutional proposals for 150 years, stresses that the Government rejects entirely the idea of separation and the break-up of the U.K. and Ministers believe *that the vast majority of Scottish* and Welsh people endorse this rejection.

The idea of federalism, advocated by the Liberals, is also rejected.

The Scottish Assembly would have powers to make laws over a wide range of domestic issues including local government, health, education, roads and many aspects of physical planning, but the Welsh Assembly would have executive functions only.

The central Government would maintain total control over defence and foreign affairs, including relations with the Common Market, trade, economic and financial policy, and national law and order.

Most controversial of all, there would be the absolute power of veto by Westminster if the Scottish Assembly over-stepped its powers or if proposed Scottish laws clashed with national policy.

Mr. Short stressed that this power would almost certainly be used on very rare occasions, but MPs in all parties pointed to the obvious areas of conflict if the majority party in Scotland were different from that in Westminster.

Both Assemblies would be financed by block votes from the central Exchequer and would have no powers to divert revenue from North Sea oil. "Oil must be treated in the same way as other national resources . . . any other course could destroy economic and political unity," the White Paper declares.

The only method of supplementing revenue would be by levying a tax on rats, but as opponents of the White Paper pointed out the unpopularity of rate rises virtually ruled this out *politically*.

Both Assemblies would be directly elected to serve for four-year terms. Scotland would have 142 members and Wales 72, while maintaining their present representation at Westminster.

Any system of proportional representation has been firmly rejected for the present on grounds of complexity and the need for uniformity with the rest of the U.K.

The Conservative leadership's attitude to the proposals was equivocal, although it has already been apparent that the Tories will not support a Bill based on the current plan.

The party will develop a policy based on Sir Alec Douglas-Home's scheme for an elected Assembly for Scotland which would form part of the Westminster parliamentary system. Unlike the Government White Paper this would not have a separate executive, but would operate through the Secretary of State for Scotland.

The Tory leadership is particularly worried by the prospect of a separate Scottish executive because of the inherent possibility of conflicts with the Secretary of State for Scotland and with Westminster.

Mr. William Whitelaw, the party's spokesman on devolution, said that at first sight the Government's proposals "do not seem to measure up" to the Tories' major objective of pre-

Continued on Back Page

● White Paper Details, PAGE 14 ● The Cost, The Welsh Equation, PAGE 15 ● An Overall View, Editorial Comment, PAGE 18 ● Seen from Scotland, PAGE 19

No unemployment fall before 1978 says National Institute

BY WILLIAM KEEGAN, ECONOMICS CORRESPONDENT

UNEMPLOYMENT in the U.K. is likely to continue rising to 1¼m. by the end of next year and to change little between then and 1978, says the independent National Institute of Economic and Social Research.

In its November quarterly review the institute describes the forecasts for the economy as "perhaps the most depressing since this review was launched in 1959: high unemployment, high inflation with a mere hint of further slowdown, substantial current balance deficits, and high public sector borrowing requirements."

The institute believes the British economy is near the bottom of the current recession and that a slow recovery in output will begin shortly, helped by a revival of world trade.

Its unemployment forecast, however, takes into account both the long time-lags before a turn-round in output is reflected in employment and a calculation that it will be well into 1977 before the economy is growing at the rate of growth of productive potential—around 3 per cent. per annum.

Although normally associated with employment-boosting policies, the NIESR on this occasion argues that the Government "cannot, and should not" allow, *let alone seek, any substantial* reduction in unemployment until inflation has come down.

"It is not desirable—or even possible over any length of time without serious economic damage—for the British economy to operate at the inflation rates we have seen over the past few years.

"If incomes policy cannot bring them down, then there is no alternative to high unemployment, unpalatable and costly as this must be."

While the institute advocates no reflationary measures at present, it maintains that success in the current incomes policy, plus the promise of union co-operation in the next phase, would give scope for "some modest stimulus" in the spring via tax cuts or h.p. relaxations.

Capital spending down, Back Page
Extracts from document, Page 15
Editorial comment, Page 18

This would only be appropriate, though, if the unemployment outlook had not improved in the meantime, it says.

Despite its own sombre words about the outlook, the institute's reading of the economic situation will still bring relief on some fronts.

The National Institute not only believes the U.K. economy is near the bottom of the present cycle: it also concludes that the *U.K. is now lagging only a few* months behind Japan and the U.S., and "barely if at all behind the other major European economies."

Moreover, at one point in its assessment the review raises the possibility that the U.K.'s next upturn could be very rapid indeed.

Such a development could occur if, as other forecasters believe, the outlook for industry's stocks in 1976 is not—as envisaged in the NIESR's own forecast—one of continuing decline.

A feature of the review is the attempt the NIESR has made—at a time of much in-fighting between economists about the importance of monetary developments and the public sector's financing requirements—to take a balanced view of all these factors.

The NIESR believes a likely acceleration in the growth of money supply can be "kept within bounds," provided the authorities allow interest rates to rise.

It is moderately optimistic about the chances of keeping public expenditure under control from now on, although it forecasts a public sector borrowing requirement in the region of £11.3bn. for next year.

Another large current balance of payments deficit of £2.3bn. for 1977 is envisaged, and the financing problems for both the public sector deficit and the overseas payments situation are acknowledged to be "potential sources of instability."

If foreigners are to be persuaded to remain in sterling (at an interest cost which "is not too exorbitant to be considered"); then they must have an assurance about the U.K.'s "medium term viability," the review says.

The institute places great emphasis on the need for a tight second phase for the Government's incomes policy and advocates a "norm" of 3 per cent.

This is essential for lowering the rate of inflation and restoring all-round confidence, it asserts. Given the way marginal tax rates operate, a lower norm might actually offer the unions a higher percentage increase in real post-tax incomes, it adds.

The bigger the wage increase—the greater the marginal tax take in a situation where prices in any case catch up very fast on wage increases. In a remarkable passage, the institute suggests: "It would appear quite possible to combine 2 to 3 per cent. growth in average real living standards with an inflation rate of only 2 per cent. through the year 1977."

ICI profits hit by wages bill

BY RHYS DAVID

AN INCREASE of around £30m. in its wages bill is blamed by ICI as a leading reason for a substantial drop in profits for the third quarter of 1975 announced yesterday. The company reported a pre-tax profit of £66m.—a fall of £42m. on the previous quarter and £53m. down on the same quarter last year.

Bayer, one of ICI's West German competitors, which has been affected similarly by the world recession in demand for chemical products, also announced a steep fall in profits from DM1,227m. in the first three quarters of last year, to DM357m. in the same period this year.

ICI's sales showed a small increase in value from £754m. in the second quarter to £777m. in the third but this masked a decline in volume, with August proving a particularly poor month. Total ICI profits for the first three-quarters of this year are £224m., but the company points out that if adjustments are made for the impact of current inflation the figure would be reduced by £190m. In 1974, similar allowance for inflation would have reduced the year's total profits of £455m. by £123m.

ICI's finance director, Mr. Albert Frost, said yesterday there had been some evidence of an upturn since August but it was still too early to say how signifi*cant this might be.* "We are seeing signs of an improvement but the difficulty is knowing whether this represents restocking or purchasing in anticipation of possible price increase, or whether it means a return to genuinely higher levels of demand."

A major cause of concern for ICI remains the much higher wage elvels it is having to pay as a result of inflation. Its settlement in July this year before the introduction of the £6 limit is expected to add £30m. in each quarter to its wages bill at a time when market conditions are making it impossible to recover higher costs through prices.

ICI's shares closed 3p down at 312p last night.

Results Page 22; Lex Back Page

Chrysler talks at crucial stage

BY TERRY DODSWORTH, MOTOR INDUSTRY CORRESPONDENT

TALKS ON the Chrysler situation appear to have reached a crucial stage, with the U.S. parent company refusing to budge from its decision to withdraw from manufacturing in Britain.

After a further meeting in London yesterday between Mr. Eric Varley, Industry Secretary, and Mr. John Riccardo, chairman of Chrysler Corporation, the Department of Industry announced that the discussions were "now approaching completion" and that Mr. Varley expected to make an announcement "shortly."

At Westminster last night this was interpreted as meaning that a statement would be made to the House of Commons next week.

Ministers concede that hopes of saving Chrysler as it is are bleak, and discussions are centring on a partial rescue involving Linwood, Chrysler's Scottish plant, and a phased run-down over a considerable period. The Government thinks that some 70,000 people—25,000 at Chrysler, and the rest in the components industry—could be thrown out of work if Chrysler collapses.

Trade unionists, who also saw Mr. Varley yesterday, stressed the impact which a closure of the company would have on employment. They emerged showing little optimism for the future, although they said they had been assured that no decision had yet been made.

With Chrysler unwilling to make any major new investment in Britain, the Government's major concern is the amount of money that would be needed for even a limited rescue. Linwood cannot be kept on alone unless machinery is shifted from the Midlands, because its cars, the Imp and Hunter, use engines made at Stoke.

Concentrating production in Scotland would be expensive—partly because new factory space would be needed—and losses from the trading operation (expected to be £40m. this year) would have to be underwritten for some time, because neither the Imp nor the Hunter is selling well.

A new model, or a revamp of one of Chrysler's existing range, would take at least a year to produce and cost more money. Estimates of about £100m. have been put on the Government's likely expenditure if it followed such a policy.

It is understood that the Government has almost given up hope of persuading Chrysler to stay in the U.K. Chrysler has been helping work out the cost of the alternatives on the basis of its specialised knowledge of the situation.

The Government is believed to be planning to make its statement on Chrysler at the same time as publication of the Think Tank report on the industry, which implies that there is no logical argument for retaining the company. The Think Tank has made out a case for shedding 250,000 workers out of the 1.3m. employed in the industry.

£ in New York

—	Nov. 27	Previous
Spot	$2.0310-0325	$2.0355-0365
1 month	1.10-1.05 dis	1.09-1.04 dis
3 months	2.45-2.40 dis	2.42-2.37 dis
12 months	8.00-7.55 dis	7.95-7.25 dis

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LOMBARD

'Selling' the new economic order

BY C. GORDON TETHER

HARDLY A month passes these days without someone launching a campaign to win public support for one worthy cause or other—the inevitable result being to generate a kind of "campaign indigestion" that makes each new launching that bit less likely to make the desired impact than the previous one. It would, I feel, be a great pity if this has the effect of cramping the style of the new campaign which Mrs Judith Hart, the former Minister for Overseas Development, launched on behalf of the World Development Movement yesterday.

Operating under the title "NOW," it is aimed at—to use Mrs. Hart's own words—"influencing the people to influence the Government to see that Britain plays a full part in clearing the way for the new international order that the poor countries of the world are urgently calling for."

The plan for a new world order establishing a more equitable partnership between the affluent countries and the rest at present being hammered out *under the* auspices of the UN organisation whose special province this is—UNCTAD—aims, of course, at covering all *the more important aspects* of the relationship between the two worlds, from international liquidity to the sharing of technological know-how. But the new British campaign is to concentrate initially on trade questions.

Three points

One reason for this is that it is argued that it is in the trade field that the restructuring of the world's economic machinery can make the biggest contribution to the relief of poverty.

The other is that it is here that the British people are likely to experience the more discernible adverse repercussions of the arrival of the new order—as a result, *for example*, of the stabilisation of certain commodity prices at levels providing a more generous return to the poor countries producing them. Which means that it is particularly important that the public should be put in the picture in the fullest sense—if, that is, its much-needed approval of the whole idea is to be forthcoming.

And the hope is that this can be done by driving home three main points. The first is that the cost of raw materials normally constitutes such a diminutive part of the retail charge for things we buy—not excluding most food items—that guaranteeing the producers a reasonable return should not mean major additions to our household budgets. The second is that, while higher prices for the relevant commodities may add a little to the troubles of the affluent, it is a matter of life and death for many poor countries.

The third point is that, whatever may be said about the affluent people's moral obligation to see that the world's poor get a better deal, it is becoming increasingly clear that it is very much in their own interest to help bring this about.

The British *development lobby* now has a substantial following of concerned people in all sections of the community who *can be counted upon to* disseminate the message of the "NOW" campaign. But of key importance—if there is to be *any hope of creating* an adequate awareness of it among the public at large—will be the attitude of the Press.

Press aspect

And this provides me with an opportunity to respond to requests from many readers to say a little more about a subject I touched upon only briefly when I reported on last month's "Encounter" in Nice between architects of the "New World Order" and representatives of the Press—what could be done about the general tendency of the advanced countries' newspapers *to evince little interest* in Third World issues.

One widely-held view at the conference was that this attitude was attributable in significant degree to the fact that the Press was not free enough to be able to disregard ownership prejudices against the adoption of a more generous attitude to those on the outside looking in.

There is obviously much to that. But, as I pointed out in my own contribution to this part of the discussion, the situation *could be materially improved by* a concerted effort to raise the standard and status of development journalism. Newspapers have foreign correspondents, science correspondents and correspondents of every conceivable kind except development correspondents possessing the specialist know-how the job requires.

The stories consequently tend to be handled by those working on the foreign desk or anyone who hasn't got anything else to do at the time. This simply isn't good enough for a subject that is now one of the three most important on the world scene.

RACING — BY DOMINIC WIGAN

Vikrom should do it again

THERE HAVE been few more impressive 'chasing performances this season than that put up by the eight-year-old Vikrom when she slammed her stable companion Pengrail in the two-and-a-half miles Clanfield 'chase at Newbury eight days ago. I shall be surprised if Fred Winter's Menelek mare is unable to follow up in to-day's Palace 'Chase at Sandown.

Vikrom, who will be making her ninth appearance of the season this afternoon, was nearly as impressive a winner when defeating her sole rivals No Defence and Garnishee in the Littleworth 'Chase over this course and distance four weeks ago. Always at the head of affairs, the Uplands mare kept on much too strongly on the run-in for No Defence, to whom she was conceding 7 lb.

With regular partner Mr. Nicky Henderson, who claims the 5 lb riding allowance, again in the saddle, I expect Vikrom to lead from start to finish and gain her fourth success of the season by out-pacing this year's Grand National fourth Money Market.

Two other likely winner for Winter are the novices *Alaska Highway and Che King*, both of whom will probably be market leaders. Alaska Highway, a smart middle distance performer on the Flat, is taken to open his account at the first time of asking over hurdles in the first

SANDOWN
1.00—Alaska Highway*
1.30—Stepson
2.00—Vikrom
2.30—Esban
3.00—Miss Poker Face**
3.30—Che King

MARKET RASEN
12.45—Dancing Ned
1.15—Lingwell Lady
1.45—Just for Sure
2.15—Glanford Brigg***
2.45—Wylam Boy
3.15—General Moselle

division of the Regents Novices' Hurdle, in which the Windsor third, Sugar Moss, may provide the chief threat. In Division II, the in-form Che King is preferred to Perversity.

One event I do not expect to see fall to Winter is the Bookham Novices' 'chase, in which the champion trainer saddles Brawny Scot. Here Perversity's more experienced stable mate, Early Spring and top weight *Stepson* seem likely to fight out the finish.

Stepson, a winner twice from nine starts last season, came back *in fine style after a six-month* absence from the racecourse when winning at his first attempt over fences at Folkestone just over *two weeks* ago and *may* provide the answer.

One of the most competitive races of the day is the two miles Effingham Handicap, a hurdles event for four-year-olds and upwards. Here a chance can be given to almost all the runners. My idea of the probable winner is the progressive *Miss Poker Face*.

Bob Turnell's Raise You Ten mare has run well to be placed on both her outings this term and seems to be improving. Two *other smart five-year-olds from* in-form stables, Poor Boy and Cornmarket, may provide the chief opposition to her.

It is a Racegoers Club concession day at Market Rasen, where it will come as a shock if *Glanford Brigg* cannot deal with Black Tudor in the White Hart 'Chase.

Two probable winners for Arthur Stevenson and Tommy Stack are *Dancing Ned* and *Wylam Boy*, who respectively go for the Gordon Arms 'Chase and the Aston Arms 'Chase.

SALEROOM — BY ANTONY THORNCROFT

Violoncello fetches £50,000

A VIOLONCELLO by Antonio Stradivari (Cremona, 1721) sold for a world record *£50,000* to an anonymous buyer at a musical instruments sale at Sotheby's yesterday.

A violencello by Antonius Hieronymus Amati (Cremona, 1614) went for £15,000 to Bid*dulph, a London dealer*. A violin by Nicolas Gagliano (Naples, 1752) fetched £7,500 from a private buyer and a grand piano by John Broadwood and Son (London, 1802) fetched £2,300 from another private buyer.

A sale of English and foreign silver realised £61,668. A set of four George II table candlesticks by Philip Garden (London, 1740) went to *Henry Black, a London* dealer, for £2,450. A late 17th century silver gilt beaker and double compartment spice box en suite by Thomas Townley or Tucker, of London, both circa 1680, sold for £2,354 to a private buyer.

A set of four George III silver gilt wine toasters by J. W. Storey (London, 1808) was bought by Clark and *Lee, London dealers*, for £1,950.

Prices for Persian carpets were extremely high at Christie's yesterday in a sale of English furniture, tapestries, eastern rugs and carpets which *totalled* £145,595.

A silk Kashan carpet measuring 10 feet 2 inches by 14 feet 8 inches sold for £11,025 to Isfahani, a London dealer. A tabriz silk carpet 7 feet 7 inches by 10 feet sold for £6,510 to Tradimpex, a Madrid dealer.

A Kashan silk embossed and metalwork prayer carpet sold for £5,250 to a private buyer and the same price was paid by Sternberg for an antique Caucasian rug.

There were also good prices paid for Soho tapestries. A chinoiserie tapestry attributed to Vanderbank and woven about 1710 sold for £5,775 to M. Abram who also paid £2,675 for another Soho tapestry dating from 1700-1710 and depicting the visit of Alexander the Great to Diogenes.

Among the furniture, a fine George I Burr-walnut bureau sold to R. A. Lee for £2,730 and a set of eight late George III mahogany and painted satinwood *binding chairs sold to Doyle for* £2,625.

A sale of European paintings at Bonhams totalled £15,134. Verdugo paid £420 for an oil sketch *Recuerdo del Maestro Velasquez* by Emilio y Frances Sala (1877) and Alfred Pollentine's *Grand Canal, Venice*, was bought by Mckinnes for £650.

A furniture sale at Bonham's totalled £11,923. A Victorian mahogany bookcase in George III style circa 1880 was bought by Cossio for £560 and a baby grand piano by Steinweg in an ebonised case went to Read for £520.

A sale of decorative arts, 1880-1948, at Sotheby's, Belgravia realised £49,650. A Hong Kong buyer gave £2,700 for a good bronze and ivory dancing girl by Chiparus and another smaller figure by the same maker went to an American collector for £1,200.

A German buyer paid £2,100 for a *good* large geometric enamel vase made by Camille Fauré in Limoges about 1930. A juke box made in 1946-8 and loaded with 20 78 rpm records went to a private American collector for £2,000.

A silver-mounted green glass decanter by the Guild of Handicraft, designed by Charles Robert Ashbee in 1901, sold for £1,500.

TV Radio

† *Indicates programme in black and white.*

BBC 1

9.30 a.m. For Schools, Colleges. 10.45 You and Me. 11.00 For Schools, Colleges. 12.25 p.m. Dechrau Canu Dechrau Canmol 12.55 News. *1.00 Pebble Mill*. 1.45 Chigley. 2.02 For Schools, Colleges. 3.58 Regional News (except London). 4.00 Play School. *4.25* It's the Wolf. 4.35 Jackanory. 4.50 Boss Cat. 5.15 Fabulous Animals. 5.40 Magic Roundabout.
5.45 News.
6.00 Nationwide.
6.50 Sportswide.
7.05 Tom and Jerry.
7.10 The Invisible Man.
8.00 Sykes.
8.30 Porridge.
9.00 News.
9.25 *Quiller.*
10.30 To-night: Curing Killers.
11.00 Film '75.
11.30 Weather/Regional News.
†11.32 *"Bringing Up Baby,"* starring Cary Grant and Katharine Hepburn.

All Regions as BBC 1 except at the following times:—

Wales—1.45-2.00 p.m. Tredwt. 6.00-7.05 Wales To-day. 7.05-7.30 Heddiw. 7.30-8.00 Fo a Fe. 8.00-8.30 The Max Boyce Show. 11.00-11.30 India. 11.30-11.32 News of Wales.

Scotland—10.23-10.43 a.m. and *11.00-11.20* For Schools in Scotland. 6.00-7.05 Reporting Scotland. 11.30-11.32 Scottish News Summary.

Northern Ireland—3.58-4.00 p.m. Northern Ireland News. 6.00-7.05 Scene Around Six. 11.00-11.30 Music from Castle Coole: Mozart. *11.30-11.32* Northern Ireland News.

England—6.00-7.05 p.m. Look North (from Leeds, Manchester, Newcastle): Midlands To-day (from Birmingham): Look East (from Norwich); Points West (from Bristol): South To-day (from Southampton); Spotlight South-West (from Plymouth). 11.00-11.30 North (from Leeds) A View of Upper Wharfedale: North-West (from Manchester); Country Concerns; North-East (from Newcastle) Sounds Like; Midlands (from Birmingham) Off the Cuff; West (from Bristol) Waugh Talk; South-West (from Plymouth) Peninsula; South (from Southampton) Keepsakes; East (from Norwich) Newscue.

BBC 2

11.00 a.m. Play School.
7.05 p.m. Mr. Smith's Gardening Programme.
7.29 Weather.
7.30 Newsday.
7.50 *Pot Black.*
8.15 The Money Programme.
9.00 Poems and Pints.
9.25 Spirit of the Age.
10.15 Trinity Tales.
11.05 Newsnight.
11.20 Closedown: Stephen Thorne reads "The Song of Right and Wrong" by G. K. Chesterton.

LONDON

9.30 a.m. Schools Programmes. 12.00 A Handful of Songs. 12.10 p.m. Rainbow. 12.30 Look Who's Talking. 1.00 First Report: News, FT index. 1.20 Lunch-time To-day. 1.30 Crown Court. 2.00 Good Afternoon Money-Go-Round. 2.30 Galloping Gourmet. 3.00 Theatre of Stars. 3.55 General Hospital. 4.20 Pop Quest. 4.50 American Magpie. 5.20 The Flintstones.
5.50 News from ITN.
6.00 To-day.
6.35 Crossroads.
7.00 Who Do You Do?
7.30 Rising Damp.
8.00 Hawaii Five-O.
9.00 Beryl's Lot.
10.00 News.
10.30 Police Five.
10.40 Russell Harty.
11.30 Late Night Special.
12.30 a.m. What Did You Learn at School To-day?

All ITV Regions as London except at the following times:—

ANGLIA

1.25 p.m. Anglia News. 2.30 Friday Afternoon Film: "Seven In Darkness." 5.20 University Challenge 6.00 About Anglia. 7.00 Hogan's Heroes. 8.00 The Collaborators. 10.30 Probe. 11.00 The Friday Late Film: "Dr. Cook's Garden," starring Bing Crosby 12.25 a.m. Men Who Matter.

ATV MIDLANDS

1.20 p.m. ATV Newsdesk. 2.30 Feature Film: "Over the Moon," starring Rex Harrison and Merle Oberon. 5.20 Supersonic. 6.00 ATV Today. 7.00 Don't Drink the Water. 8.00 Streets of San Francisco. 10.30 Extra Time. *11.00 Feature Film:* "Miss Sadie Thomson," starring Rita Hayworth.

BORDER

12.30 p.m. Police Surgeon. †1.20 Border News. †2.30 Friday Matinee: "The Lion Has Wings," starring Merle Oberon and Ralph Richardson. 5.20 University Challenge. 6.00 Border News and Lookaround. 7.00 Mr. and Mrs. *10.30 Late* Night Film: "The Illustrated Man," starring Rod Steiger and Claire Bloom. †12.20 a.m. Border News Summary.

CHANNEL

1.20 p.m. Channel Lunchtime News and What's on Where. 2.30 The Friday Matinee: "City of Badmen." 5.20 Adventures in Rainbow Country. 6.00 Report at *Six. 7.00 Treasure Hunt. 8.00 Barnaby* Jones. 10.30 The Master Chefs. 10.50 Friday Late Night Movie: "Phantom of the Rue Morgue." 12.25 a.m. News and Weather in French.

GRAMPIAN

1.20 p.m. Grampian News Headlines. 2.30 Dusty Trail. 2.50 Justice. 5.20 University Challenge. 6.00 Grampian Today. 7.00 Don't Drink the Water. 8.30 Barnaby Jones. 10.30 Points North. 11.30 Anna and the King. 12.00 Evening Prayers.

GRANADA

1.20 p.m. This Is Your Right. 2.30 Friday Matinee: Lee Remick in "And No One Could Save Her." †5.15 Chuckleheads. 5.20 Crossroads. 6.00 Granada Reports. 6.35 Space 1999. 8.00 The Streets of San Francisco. 10.30 Kick Off. †11.05 The Late Film: Anne Heywood and Peter Van Eyck in "Vengeance." †12.35 a.m. Douglas Fairbanks presents.

HTV

1.20 p.m. Report West Headlines. 1.25 Report Wales Headlines. 2.00 Women Only. 2.30 Friday Matinee: "In Broad Daylight." 5.20 Orbit 5. *5.25 Crossroads.* 6.01 Report West. 6.18 Report Wales 6.35 Space 1999. 10.30 Free Time. 11.00 Boney.

HTV Cymru/Wales—As HTV General Service except: 1.20-1.25 p.m. Penawdau Newyddion y Dydd. 4.20-4.50 Stemsion Cantamil. 6.01-6.18 Y Dydd. 10.30 John Morgan on Who Runs Wales? 11.30 Two's Company.

HTV West—As HTV General Service except: 1.20-1.30 p.m. Report West Headlines. 6.18-6.35 Report West.

SCOTTISH

†1.20 p.m. Road and Weather Report. 2.00 Housecall. †2.30 Feature Film: "Another Shore," starring Robert Beatty. 5.20 Babar. 5.25 Crossroads. 6.00 Scotland To-day. 6.30 *A Joke's A Joke*. 7.00 The Adventurer. 8.30 Combat. 10.30 Ways and Means. 11.00 Late Call. †11.05 Friday Thriller: "Five Steps to Danger," starring Sterling Hayden.

SOUTHERN

1.20 p.m. Southern News Extra. 2.00 Women Only. 2.30 Korda Classics: "The Challenge." 5.20 Sinbad Junior. 5.25 *Crossroads. 6.00 Day By Day (Channels* 6, 11, 27, 42, 58, 60). 6.00 Scene South East (Channels 10, 43, 64 and 66 only). 6.35 Out of Town. 7.05 And Mother Makes Five. 10.30 Southern Report. 11.00 The *Streets of San Francisco. 11.55 Southern* News Extra. 12.05 a.m. The Doris Day Show.

TYNE TEES

9.25 a.m. *Starting Point*. 1.20 p.m. Lunchtime News and Lookaround. 2.30 Dangerman. 3.25 Farmhouse Kitchen. 5.20 University Challenge. 6.00 North East News. 6.05 Division. 7.00 And Mother Makes Five. 10.30 *Sportstime*. †11.00 The Friday Night Film: "The Black Sleep," starring Basil Rathbone. 12.35 a.m. Epilogue.

ULSTER

1.20 p.m. Ulster News Headlines followed by Lunchtime. †2.30 Friday Matinee: "Cash On Demand," starring Peter Cushing. 4.18 Ulster News Headlines. 5.20 University Challenge. 6.00 UTV Reports. 6.25 Police Six. 7.00 Fire House. 7.30 Wild Wild West. 8.30 Sportscast. 10.30 Tom and Tommy. 11.00 Police Story.

WESTWARD

12.25 p.m. Gus Honeybun's Birthdays. 1.20 Westward News Headlines. 2.30 The Friday Matinee: "City Of Badmen," starring Dale Robertson. 5.20 Why. 6.00 Westward Diary and Sports Desk. 7.00 Treasure Hunt. 8.00 Barnaby Jones. 10.32 Westward Late News. 10.35 Late With Danton. 10.50 Friday Late Night Movie: "Phantom Of The Rue Morgue," starring Steve Forrest. 12.20 a.m. Faith for Life.

YORKSHIRE

1.20 p.m. Calendar News. 2.30 Chopper One. 3.00 Houseparty. 3.25 Farmhouse Kitchen. 5.20 University Challenge. 6.00 *Calendar*. 7.00 *And Mother Makes Five*. 10.30 Calendar Sport. 10.45 The Avengers. 11.00 Night Gallery.

RADIO 1 — 247m

(S) Stereophonic broadcast

6.00 a.m. As Radio 2. 7.00 Noel Edmonds. 9.00 Tony Blackburn 12.00 Johnnie Walker, including 12.30 p.m. Newsbeat. 2.02 Simon Bates (S) (also on VHF). 4.30 Rosko's Round Table. 5.45 Newsbeat. 6.02 Sam Costa (S) as Radio 2. 11.00 John Peel (S) (also on VHF). 12.00-12.05 a.m. As Radio 2.

RADIO 2 — 1,500m and VHF

6.00 a.m. News Summary. 6.02 Ray Moore (S), including 6.15 Contact 7.02 Terry Wogan (S), including 8.27 Racing Bulletin and 8.45 Contact 9.02-11.30 Harry *Carpenter's Open House (S) including* 10.30 Waggoners' Walk. 11.30 Jimmy Young (S). 1.55 p.m. Good Listening (VHF). 2.02 Simon Bates (S) as Radio 1, but including on 1,500m only (also 202m Scotland) 2.45 and 3.45 Sports Desk. 4.30 Waggoners' Walk. 4.45 Sports Desk. 4.47 Sam Costa (S) including 5.45 Sports Desk. 6.45 Sports Desk. 7.02 A Question of Fun. 7.30 Ronnie Aldrich (S). 8.30 As You Were (S). 9.02 Friday Night Is Music Night (S). 10.02 Barn Dance at the Radio 2 Ballroom (S). 11.02 Sports Desk (1,500m only (also 202m Scotland)) VHF joins Radio 1. 11.05 Len Jackson (1,500m only (also 202m Scotland)) VHF joins Radio 1, with Music to Midnight. 12.00-12.05 a.m. News.

RADIO 3 — 464m, Stereo & VHF

‡ Medium Wave only

7.00 a.m. *News.* 7.05 Overture (S). 8.00 News. 8.05 Morning Concert (S). 9.00 News. 9.05 This Week's Composer: Richard Strauss (S). 9.45 BBC Concert Orchestra (S). 10.35 Brno Prix Musical 1974 (S). 11.35 Ravel *piano recital* (S). 12.15 p.m. Midday Concert, part 1 (S). 1.00 News. 1.05 Playbill (S). 1.20 Midday Concert, part 2 (S). 2.05 England's Pleasant Land (S). 3.00 New Records (S). 4.15 BBC Welsh Orchestra (S). 5.25 Pied Piper (S). 5.45 Homeward Bound (S). 6.05 News. ‡6.10 Homeward Bound (continued). ‡6.30 Lifelines: Leisure and Recreation. 7.30 Alicia De Larrocha piano recital, part 1 (S). 8.00 Alexandra Palace 1875-1975 centenary concert, part 1 (S). 8.30 Emerson on the English. 8.40 Concert, part 2 (S). 10.05 Music Now (S). 10.45 Alicia De Larrocha part 2 (S). 11.25 News.

Radio 3 VHF only—6.10-7.30 p.m. Open University.

RADIO 4 — 434m, 330m, 285m and VHF

6.25 a.m. News. 6.27 Farming Today. 6.40 Prayer for the Day. 6.45 Today, including 6.50 VHF Regional News. 6.55 Weather, programme news. 7.00 News and more of Today: 7.27 Sportsdesk. 7.35 Today's Papers. 7.45 Thought for the Day. 7.50 VHF Regional News. 7.55 Weather, programme news. 8.00 News and more of Today: 8.27 Sportsdesk. 8.35 Today's Papers. 8.45 Yesterday in Parliament. 9.00 News. 9.05 Voice of the People (‡ from 9.30). ‡10.00 News. ‡10.05 Checkpoint. 10.30 Daily Service. ‡10.45 Morning Story. ‡11.00 News. ‡11.05 Sunrise and Sunset. 12.00 News. 12.02 p.m. You and Yours. 12.27 Petticoat Line. ‡12.55 Weather, programme news, VHF (except London and SE) Regional News. 1.00 The World At One. 1.30 The Archers. 1.45 Woman's *Hour from Scotland (‡ from 2.00)* including 2.00-2.02 News. 2.45 Listen With Mother. 3.00 News. 3.05 Afternoon Theatre. 4.00 News. 4.05 Any Answers? 4.35 Story Time. 5.00 PM Reports. ‡5.50 *Financial Report*. VHF Regional News. 5.55 Weather, programme news. 6.00 News. 6.15 Top of the Form. 6.45 The Archers. 7.00 News Desk. 7.30 *Pick of the Week*. 8.30 Any Questions? 9.15 Letter From America. 9.30 Kaleidoscope. 9.59 Weather. 10.00 The World Tonight. 10.45 A Book At Bedtime. 11.00 The Financial World Tonight. 11.15 Today in Parliament. 11.25 Week Ending. . . . 11.40 News.

For Schools (VHF only)—9.30 a.m.-12.00 and 2.00 and 3.00 p.m.

BBC Radio London — 206m and 94.9 VHF

6.00 a.m. As Radio 2. 6.30 Rush Hour. 9.00 Downtown. 11.03 In Town. 12.03 p.m. Call In, including 12.45 London News Desk. 2.03 206 Showcase. 3.45 The *London Gardener*. 4.03 *Lobby*. *4.32 Home* Run, including 5.00 and 6.00 London News Desk. 6.30 Sportsfield. 7.00 In Town. 8.00 Good Fishing. 8.30 Black Londoners. 10.05 Single File. 12.00-12.05 a.m. As Radio 2.

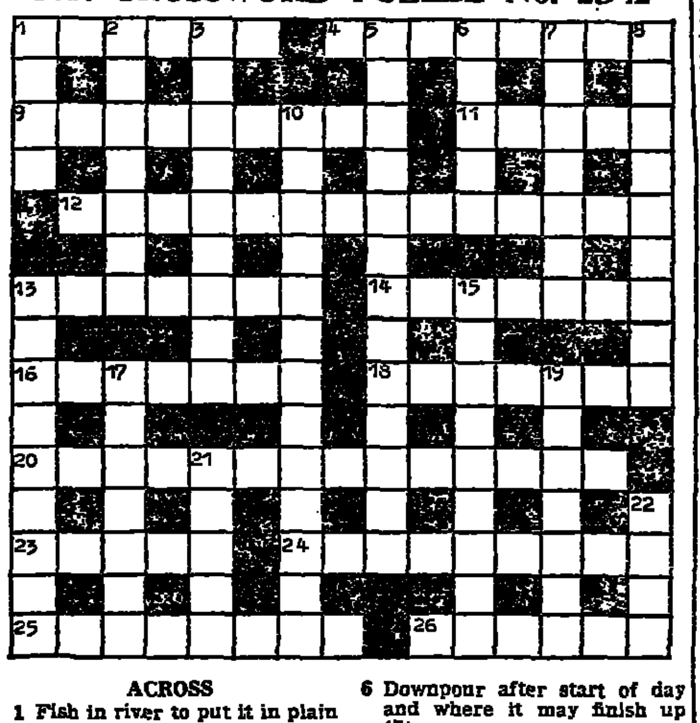
London Broadcasting — 261m and 97.3 VHF

5.00 a.m. Morning Music. 6.00 "AM"—breakfast-time show. 10.00 George Gale—talking to London. 12.00 Newswatch. 2.00 p.m. Newswatch—second edition. 5.00 Newsbreak. 7.30 Music in Stereo. 9.00 Adrian Love. 1.00-6.30 a.m. Nightwatch—News every half-hour.

Capital Radio — 194m and 95.8 VHF

6.30 a.m. The Breakfast Show. 9.00 Michael Aspel presents music, guests, competitions and "Swapshop." 12.00 Cash on Delivery. 3.00 p.m. Roger Scott. 7.00 London Today. 7.30 Open Line. 9.00 Rock Show. 11.00 Tony Myatt and his late night show. 2.00 a.m. Night Flight.

F.T. CROSSWORD PUZZLE No. 2,942



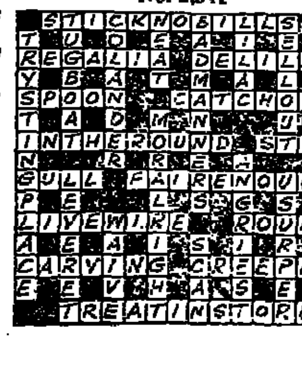
ACROSS

1 Fish in river to put it in plain language (6)
4 Numbers 4 to 8 in this clue are of fundamental importance (8)
9 Heinous one in Paris takes note (9)
11 Was upset and I'm following afloat (5)
12 Newspaper with unusual angles should look after us (8, 6)
13 A step on either side (7)
14 Frozen mass beg rice for a change (7)
16 Pray to live and see church (7)
18 Official not on the rocks by right (7)
20 Be open-minded and don't *interfere* (4, 3, 3, 4)
23 Name once used for the time being (5)
24 Opening one after time to clear the *air* (9)
25 May be wiped out as a rebel may be (8)
26 Acceded to a lust (6)

DOWN

1 Beat a cylinder . . . (4)
2 . . . and escort to beat time (7)
3 Decide to prevent what belongs to me (3)
5 *Clean action* at organisation overseas (8, 5)
6 Downpour after start of day and where it may finish up (5)
7 At present in this place but actually unplaced (7)
8 Put up with flattery—it's sweet (4-5)
10 Pick up bad spirit and create a disturbance (5, 3, 5)
13 Transport cam unable to be changed (9)
15 Ending holding half folios for wrapping up (9)
17 Plain South African van going to North America (7)
19 Car going round via oriental delicacy . . . (7)
21 . . . and oriental nut in square cases (5)
22 Sell five before the finish (4)

SOLUTION TO PUZZLE No. 2,941



ENTERTAINMENT GUIDE

OPERA & BALLET

THEATRES

CINEMAS

EXHIBITIONS

ART GALLERIES

CONTRACTS AND TENDERS

ALGERIAN REPUBLIC DEMOCRATIC AND POPULAR

MINISTRY OF INDUSTRY AND ENERGY

SONATRACH

Notice of Invitation for International Tenders

An invitation for International Tenders is called to design, furnish and build an operating plant of liquid ammonia of a capacity of 1,000 metric tonnes/day at Skikda.

1—PROJECT SCOPE AND OBLIGATIONS

—Engineering studies and furnishing of plans of construction.
—The construction of the production units, storage and shipping facilities, necessary buildings.
—Starting up of plant to production acceptance.

2—HOW TO OBTAIN TENDER BOOKS AND DOCUMENTS

Concerned companies, having experience, in the engineering and construction of such process plants, can obtain a copy of the tender book from the authorised SONATRACH representative at

9, Rue Abou-Nouas, HYDRA, Algiers. Tel.: 60 40 00 to 05, or Zone Industrielle de Skikda Project AMMONIA. Tel.: 95 57 40 as from 10th November, 1975.

3—RETURN OF TENDERS

The tender documents are to be sent before 5th April, 1976, and addressed to the Vice President, ENGINEERING AND DEVELOPMENT, SONATRACH, 9, Rue Abou-Nouas, HYDRA, Algiers, Algeria. The documents to be sent in double envelopes. The inside envelope will be marked "BID SUBMISSION—DO NOT OPEN."

هكذا من الأصل

Cinema

Bedraggled shreds

by NIGEL ANDREWS

Lenny (X) Odeon Haymarket
Elektreia (A) Academy Three
Innocents with Dirty Hands (AA) Studio One

Yesterday's villains are to-day's saints and martyrs; and there *is no stopping society*—once it has recognised an error in its judgment of an artist in one generation—from sliding right to the opposite extreme in the next. It's a moral version of the rags-to-riches story. The artist has to make do with vilification and persecution while he is alive, but as soon as he is dead every wavelength of popular culture comes alive to the idea that they have just lost a great prophet and a great social visionary.

Lenny Bruce is the latest beneficiary of this dubious conversion; and he would probably be no happier with his current status, as a kind of Martyr Emeritus of the American night clubs, than he was with his former reputation as a foul-mouthed cabaret comic and drug addict.

The film seems to have been put together by a process of association of ideas. Cabaret! Who should be chosen to direct Lenny Bruce's life story but choreographer - director Bob Fosse, who showed in the Liza Minnelli musical that there was nothing he did not know about conjuring glamour from the seedy milieux of night clubs? Seedy! Who better to play the hangdog, dishevelled, neurotically tireless Jewish comedian than Dustin Hoffman, in a performance custom-built for an *Oscar nomination?*

Lenny is so vulgar in conception and execution that even its determinedly downbeat, TV-documentary-style black-and-white photography seems chic and unreal. Fosse and his screenwriter, Julian Barry (who adapted his own stage play), have tried to create a *Citizen Kane* out of the bedraggled shreds of Bruce's life story. Friends, relatives and wives are wheeled on to give their various impressions of Bruce to an off-screen interviewer ("Bruce? I really loved him": "He was—I dunno—sort of huggable"), and the film cuts away from these verbal reminiscences to re-enacted portions of Bruce's life. Somewhere in between are inserted excerpts from Bruce's night club acts; invariably selected more for their heavy moral content (Bruce as the unmasker of social and sexual hypocrisy) than for their actual wit or comic value.

The result is Hollywood hero-worship at its worst: fastening *on a rough-edged and genuinely* problematic figure of post-war American culture and flattening him out into a Messiah of the free society. Apart from Valerie Perrine as Bruce's ex-stripper wife (she won the Best Actress award at Cannes and does at least imbue her character with some pathos and variety), none of the supporting characters is given any real identity, and in the night-club scenes Fosse repeats his *Cabaret* trick of turning the audience into a gallery of grotesques glimpsed in frozen reaction shots to the on-stage action. Caricature reigns; and although Hoffman in performance captures much of Bruce's marionettish élan, he does no *more than the script allows with* the perfunctory intervening scenes of domesticity and private life.

In the halcyon days of the Holywood bio-pic—the days when Greer Garson discovered radium and Edward G. Robinson triumphed over syphilis—we gratefully and willingly took *everything with a pinch of salt.* Nothing, not even scientific and historical truth, could come between Hollywood audiences and the star system. Now, with the commercial cinema trying to promote a more sophisticated image, the wheels of creation have got caught in compromise. The film tries to give us the best of both eras—documentary realism on the one hand, a star performance on the other—but the truth ends up getting lost in the cavernous gap between the two.

There is some corner of a Hungarian plain that is forever Miklos Jancso: a place inhabited by circling horsemen, naked women, smoking flares, and all the strange, idiosyncratic panoply of a director who has perhaps the most instantly recognisable visual style of any film-maker now living.

Elektreia is the latest and most intricately weird manifestation of that style yet to appear. I saw it in Cannes earlier this year and was enthralled by it. Seeing it again, when the novelty of Jancso's perpetual-motion mise-en-scene has worn off, I am not so sure. Jancso has set the Electra legend in some indeterminate period of Hungarian history, and dramatised it entirely as a choreography of movement: speech and song. (The screenplay is based on a play by Hungarian writer Laszlo *Gyurko.) The film's rejection of* realism culminates in an extraordinary closing scene in which a red helicopter descends to earth to escort the victorious heroine and her brother Orestes up into the skies.

Jancso has an astonishingly bold and unapologetic way with sybolism. Revolution is punningly depicted as a giant revolving ball, on top of which the villainous Aegisthus keeps his precarious balance. The bath in which Agamemnon was murdered is symbolised by a pool of blood through which the characters periodically wade. And the red helicopter—bird of revolution—is there to remind us that the Electra story has as much relevance *for our own times* as for those of Aeschylus and Sophocles.

The reservations come with the almost soporific restlessness of Jancso's staging. There are only nine cuts in the entire film (75 minutes long), and the premium placed on the expressive mobility of the camera puts a strain on even Jancso's invention. Dancing soldiers weave endlessly in and out of shot, horses trot back and forth on the horizon, characters walk round and round each other—and the camera—as they talk and sing and argue. The idea, no doubt, is to give visual expression to Jancso's view of history as a process of constant flux and re-generation: of "permanent revo*lution," as he has called it.* But though it's a compelling idea intellectually, it's a deadly monotonous one aesthetically. And one can't help feeling that Jancso needs new ideas—or new ways of expressing the old ones—if he is to keep his individual style from congealing into self-parody.

Claude Chabrol *is* another director with a personal style: one who mapped out the fictional territory he intended to explore some years ago and has seldom deviated from it. *Innocents with Dirty Hands* is the latest in his series of quaintly subversive murder thrillers in which the genteel facade of middle-class French family life is cracked open by adultery and murder. Almost alone among thriller directors, Chabrol is less interested in what leads up to the crime—the identity of the murderer and his motive—than in what follows it: the workings of remorse in the criminal's mind, the slow draining of his moral energy, the taint of guilt spreading through his whole family and circle of friends.

Innocents with Dirty Hands takes this process to an extraordinary new extreme: the film has hardly begun before Rod Steiger is being bashed to death by his adulterous wife (Romy Schneider) with a large and peculiarly lethal-looking truncheon. (For reasons not explained, Steiger keeps an armoury of such weapons by his bedside.) Miss Schneider's acomplice in the crime is her newly-acquired lover (Paolo Giusti), and not surprisingly she is a bit perturbed when both he and her husband's body disappear *the day after* the crime has been committed. A pair of bungling French policemen follow her around over the ensuing days, and sooner or later the inevitable happens: Steiger reappears, and the whole story takes on the contorted menace of one of those twist-upon-twist thrillers like *Vertigo* and *Les Diaboliques* that the French have made so illustriously their own.

The fact that I don't think the film actually works is no reflection on the boldness of the idea. Chabrol attempts to burrow under the skin of Miss Schneider's role, and present a character in whom gnawing guilt at the horror of her crime is mixed with an equally gnawing *fear that the crime* hasn't actually come off. But whether the character falls down in Miss Schneider's performance (Chabrol's usual and more dependable heroine is his wife Stephane Audran) or in the script is difficult to say. The film ends up going round in so many circles, and snapping so vigorously at its own tail, that fascination finally gives way to boredom. Steiger's Actor's Studio performance is no help, and the film has been dubbed into singularly stilted and lifeless English. But one can't help feeling that the blame is pricipally Chabrol's; that like Jancso he is a director beginning to need the rejuvenation of new ideas or new ways of treating the old ones.

Lawrence Burt

Derek Jacobi and Jane Lapotaire in 'A Room With A View,' which opened last night at the Albery

Cologne Schauspielhaus

François Villon

by RONALD HOLLOWAY

As of late, many young play directors in West Germany have made a name for themselves in the '70s, but only a few are worth their salt when it comes to consistent high-standard performance. Topping the list are Peter Stein, at the semi-private Schaubühne am Halleschen Ufer in West Berlin, and Hansgünther Heyme, whose name is synonymous with the Cologne Schauspielhaus. Both refrain from *travelling—that is, jumping from* one city theatre to another with the same or borrowed goods—and have painstakingly moulded their own ensembles to minute perfection.

Heyme's new production of Anton Gill's *François Villon* is a case in point. The Gill world première is not vintage Heyme, nor does it say much for a season that has started very sluggishly, but the full title alone—*Tales of the Irreverent Singer François Villon—His Life in France and the Beautiful City of Paris*—is imaginative and conjures up visions of Brechtian theatre in the nostalgic '20s. The veteran theatregoer primed by Cologne's aesthetic sense of values is also not liable to be disappointed: it's an ensemble *tour de force*, a production that swamps the audience by sheer enthusiasm rather than theatrical gimmicks or dramatic arm-twisting. All the more eye-catching, for this side of Heyme has only been supposed, but never fully brought to light.

Heyme has a flair for historical viewpoint. Previous to *François Villon*, at the end of last season in spring, he produced a controversial *Threepenny Opera* that roused the ire of Brecht's heirs and resulted in pressure to remove the production from this year's *Spielplan. François Villon* was obviously meant to dovetail with *The Threepenny Opera* as a forerunner in light burlesque and ballad moralising.

For this reason experiencing one without the other is like receiving a half-baked birthday cake. And in the past Heyme has been especially successful in unveiling historical layers of meaning in Hebbel's *Die Nibelungen* and Schiller's *Wallenstein:* the latter production introduced a string of Schiller-Goethe Weimar plays that have propelled this young director to the top as the best *interpreter of classical German* drama—Lessing, Goethe, Schiller, Hebbel—since Fritz Kortner.

François Villon, in fact, seems to bear a closer relationship to Heyme's production of *Wallenstein* some four seasons ago than to *The Threepenny Opera* at least insofar as the staging is concerned. We are presented with an eye-sore: a France torn by the wars and plagues of the 15th century, the beautiful city of Paris reduced to rubble as in an Ivan Albright painting. Bert Kistner's design is a network of planks over a junkyard, the actors crisscrossing this maze as though dodging hunger, poverty, sickness, torture, and death as they surface and resurface on the horizon.

Villon's obsession in his *Testament* was death as a physical, decaying horror, and although he was imprisoned several times for killing and robbery, he escaped with his skin and at about the age of 30 disappeared into history. We can readily *feel* an era in turmoil searching for powerful minds to break through the shell and announce that Europe has come of age.

Anton Gill, who assisted at the London production of Beckett's *Not I and came up as* director-dramatist at the Royal Court, has written a portrait of the times in sketches, or "tales," from the life and poetry of an irreverent balladeer and noble sinner whose compassion for humanity made him the outstanding French poet of the century. The play itself lacks discipline and has only a touch of poetic ardour to carry it over the dramatic encounters that biographies, uncomfortably, demand: but a talent is there and we can reckon with Mr. Gill again in the near future.

The Cologne ensemble never enjoyed themselves more. Normally, under Heyme's ascetic hand there is little room to breathe an extra tune without aesthetically accounting for it, but here is a play that demands movement and improvisation just to manoeuvre the stage, and Villon (Rainer Delventhal) and company make the most of the reprieve. Daniel Viglietti's songs and Werner Haentjes's stage-music are integrated into the whole to express both suffering and vitality of spirit.

Chances are that the ensemble's newly earned freedom will shortly be channelled into a new historical interpretation of a classic. Heyme is now working on Shakespeare's *Antony and Cleopatra.*

RSC at the Round House

The Royal Shakespeare Company will present Peter Brook's production of *The Ik* at the Round House for a six-week season beginning on January 15. This concerns a tribe from Northern Uganda who were moved out of their territory in 1946 to make room for a National Park, and is derived from Colin Turnbull's book *The Mountain People*. The script was made by Peter Brook, Colin Higgins and Dennis Cannan together with the cosmopolitan cast of Mr. Brook's company. The designs are by George and Jeanne Wakhevitch.

The Round House's smaller auditorium, Downstairs, will take the RSC's productions of *Hamlet* and *Man is Man* that played earlier this year in The Other Place in Stratford-on-Avon. They will run for a ten-week season. Hamlet will open on January 14 (official first night February 4) with Ben Kingsley in the title role; *Man is Man* on February 2 (preview January 27).

Dominique Sanda in 'Steppenwolf,' which will have its premiere at the Collegiate Theatre on December 7. The proceeds of the premiere, and the proceeds of the premiere of John Cassavetes' 'A Woman under the Influence' at the Curzon on December 11, are to go to the building fund of The Other Cinema in Charlotte Street. The British Film Institute will match all money raised for the project up to £17,500

Purcell Room

Composers Quartet

by DOMINIC GILL

The Composers String Quartet—a distinguished American group founded in 1965, who *devote their energies* "extensively but not exclusively" to contemporary works—are now quartet-in-residence at Columbia University in New York City. They have appeared here once already this week to give the London premiere of Elliott Carter's third string quartet, broadcast live on Monday from St. John's, Smith Square. On Wednesday they returned to the Purcell Room with a more conventional programme.

There was one *rarity:* the string quartet of Ruth Crawford Seeger (1901-53, wife of the folk-music historian and musicologist Charles Seeger)—a ten-minute essay in four short movements, each nicely contrasted, modestly adventurous in its range of colour, economy of gesture, and use of serial-like devices. The third movement is specially surprising: a brief ascent by bunches of close intervals to a high, windy plateau, dispersed in sudden, quiet bathos. The finale bustles along assertively, marked at regular intervals by quick, explosive emphases, like *the excited movement in con*versation of an open hand.

The Quartet otherwise confined themselves to better-known works of the 18th, 19th and 20th centuries, and here their performances were disappointing. They play with spirit, but with little refinement: on an entirely unexalted level, their account of Mozart's K590 in F was capable and honest enough—but it lacked any kind of finesse, subtle interplay, contrapuntal light and shade. The string sonority was consistently brash, loud, often forced. The fine textures of Debussy's quartet were also roughly handled: strange, insensitive assault in particular *on the magical second-*movement *leggiero*. Stravinsky's Concertino better withstood such bluff, ebullient treatment: an enthusiastic reading, largely unnuanced but punctuated with some good, strong, hair-snapping chords.

French Institute

L'Oiseau Dodo

by GARRY O'CONNOR

The dodo was a bird that became extinct, I believe, in the seventeenth century on the island of Mauritius. It was fat, well furnished with edible flesh and it couldn't fly: fair game for the Portuguese and French settlers who were the island's first inhabitants.

Bernard da Costa's play has, however, nothing to do with such historical niceties: the title is symbolic, not of evolutionary incapacity and gastronomic attraction, but of seductive beauty. I cannot venture to guess why. The three characters, two male, one female, enact a classic semi-absurd situation, in which one of them, Gérard, decides to marry Nicole, and in so doing upsets his best friend Francis.

The trio battle to and fro in three short acts (composed so the author tells us in three consecutive days). It is, one hesitates to say it, one of those plays in which the eternal situations of man and woman, husband and wife, man and man, and so on, are probed and gored, and turned inside out, with, in the case of M. da Costa's writing, a rapier-like quality often nearer to superficiality than to wit.

The switches of mood and style are plausibly maintained in the performances (Nicole Dubois, Bruno Garcin, Alain Fourès), however, even if many of the progressions in the dialogue are predictable and repetitive. But to say this is representative of the non-Brechtian avant-garde would suggest that we had not moved much beyond *The Bald Prima-donna:* sophisticated, sub-boulevard entertainment, yes, but definitely not avant-garde.

Shared productions in the opera

London's two opera companies, the Royal Opera House and the English National Opera, are to start an experiment in sharing production. To start with the scenery and costumes of ENO's production of Donizetti's *Mary Stuart will be lent to the Royal* Opera House who will present the opera in Italian, as *Maria Stuarda*, during the 1977-78 season.

Then the Royal Opera House's new production of *Ariadne auf Naxos*, due to be seen next year, will be lent to ENO two years later for a production in English.

"*Although the primary motive* in coming to this arrangement," a joint statement from the two houses says, "has been one of economy, both managements see it as heralding closer co-operation between London's two opera houses, as well as achieving savings in both their future production budgets."

G & S at the Wells

D'Oyly Carte Opera Company will close the centenary year of Gilbert, Sullivan and D'Oyly Carte with a 14-week season at Sadler's Wells Theatre.

Opening on Monday, December 15 with the double-bill, *Trial by Jury* and *HMS Pinafore*, the company will play 110 performances of nine operas, the others being *Iolanthe, The Mikado, The Yeomen of the Guard, The Pirates of Penzance, The Gondoliers, Ruddigore* and *Patience.*

Advent at St. Paul's

On Sunday, November 30, the Advent Carol Service will be held in St. Paul's Cathedral at 6.30 p.m.

The traditional performance of Handel's *Messiah* takes place in the Cathedral on Tuesday, December 2. The Cathedral Choir and the Special Service Choir with Colet Court Boys Choir, accompanied by the London Bach Orchestra will be conducted by Christopher Dearnley.

Costume designs by Yolanda Sonnabend for Kenneth MacMillan's new ballet 'Rituals,' which is to be presented by the Royal Ballet at Covent Garden on December 11

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WORLD TRADE NEWS

USSR-Egypt trade talks break down

By Michael Tingay

CAIRO, Nov. 27.

TRADE AND finance talks between Egypt and the Soviet Union broke down here after five days when the Soviet delegation, headed by Mr. I. T. Grishin, Deputy Trade Minister, refused to accept Egyptian proposals, the Cairo Press reports to-day.

Dr. Abu Ismail, Egypt's Minister of Finance, who is in charge of the Egyptian side, was once again proposing a re-scheduling of Egypt's debt to the Soviet Union, most of which is paid in unrequited exports. But the Soviet Union evidently still finds Egyptian demands for a moratorium unacceptable.

The breakdown was hardly unexpected since Dr. Abu Ismail failed to make any headway with re-scheduling demands on a visit to Moscow this summer. At that meeting the Soviet Union offered to re-schedule part of the debt, which is estimated at $3.2bn., but the Egyptian side held out for a complete moratorium, *according to Soviet sources.*

Most of the Soviet debt repayments can be arranged in the regular meetings between trade delegations when the terms of trade for the coming year are decided. Egypt regularly runs a net deficit in trade with the Soviet Union, which last year totalled about £E270m., with exports twice the notional value of Russian imported goods. The gap effectively pays the debt.

The problem comes with the Soviet refusal to consider a moratorium and re-scheduling of the military debt, which some sources here believe is as low as $1.7bn. The assumption here is that the military debt is due in hard currency, although Egypt does not reveal defence details.

The Soviet position has been fairly clear since the debt controversy began after the October, 1973, war. The Soviet Union believes that until Egypt gives a better indication of the direction it wants to take politically and economically Egypt should continue to meet its commitments in an orderly fashion. Soviet sources here said that Moscow met its arms supply commitments to Egypt by March, 1975, after a halt to supplies during 1974.

Unilever steps up manufacture of soap in Japan

BY CHARLES SMITH, FAR EAST EDITOR — TOKYO, Nov. 27.

UNILEVER'S LUX soap, which is claimed to be the leading brand *in the* non-cosmetic quality soap market in Japan, is to be manufactured locally. Hitherto it has been imported from the U.K. under a complex arrangement with local Japanese interests for which the company has now received outline approval.

The arrangement involves a one-hundred-fold increase in the capital of Japan Toilet Soap Ltd., from Y10m. to Y1bn. (£1.6m.) The company *becomes* a wholly-owned subsidiary of Unilever's Swiss subsidiary, Sunlight AG, instead of being owned by Honen Unilever (a joint venture with local Japanese interests).

Japan Toilet Soap will invest in soap-finishing facilities which will be installed at the factories of Tamanohada soap, which will then manufacture Lux from its own basic materials.

The effect of Unilever's move will be to give the company a direct stake in the quality end of the Japanese soap industry, in competition with Procter and Gamble whose Camay soap is now being made by Mitsuwa Soap.

Mitsuwa produced about 50 per cent. of the Lux soap sold in Japan under a licensing arrangement with Unilever until it ran into financial difficulties early this year, which eventually *led to its takeover by a Japanese* subsidiary of Procter and Gamble.

Unilever says it is switching to local manufacture of Lux *chiefly because of the difficulty* of coping with market fluctuations and particularly with the huge surge in demand for soap which occurs during Japan's year-end gift season, through direct imports alone.

The company declines to give figures for output at the new Tamanohada plant, but admits that there will be a "considerable" increase in capacity as compared with the present level of exports.

Lux exports to Japan from the U.K. are understood to have been running at between 2,000 and 3,000 tons a year, valued at between Yen 2bn.-3bn. (£3.2m.-£4.8m.), giving Unilever a share of the overall soap market claimed to be in the region of 3 per cent. Local press reports, which Unilever has not confirmed, say that the Tamanohada plant will produce about 5,000 tons a year.

The clear *implication* of Unilever's move into local manufacture is that competition will be stepped up between Lux and Camay for the leading position in Japan's quality soap market.

Unilever apparently decided against coming to the rescue of Mitsuwa when the latter ran into financial difficulties. Unilever says that Lux—with 10 per cent. of the non-cosmetic quality soap market—is still the leading brand of its type in Japan. The *local manufacture of Camay,* however, has evidently challenged this position.

Japanese instrument venture at Singapore

BY ILSA SHARP — SINGAPORE, Nov. 27.

YOKOGAWA ELECTRIC SINGAPORE, which will be opened officially tomorrow by Mr. Hon Sui Sen, the Singapore Finance Minister, starts production of industrial instruments on December 1. The plant, a 100 per cent. Japanese venture, has an authorised capital of S$10m. (£1.96m.) and will produce about 31,000 units a year, initially, in the first three years, and 600,000 units a year eventually, probably by the sixth year.

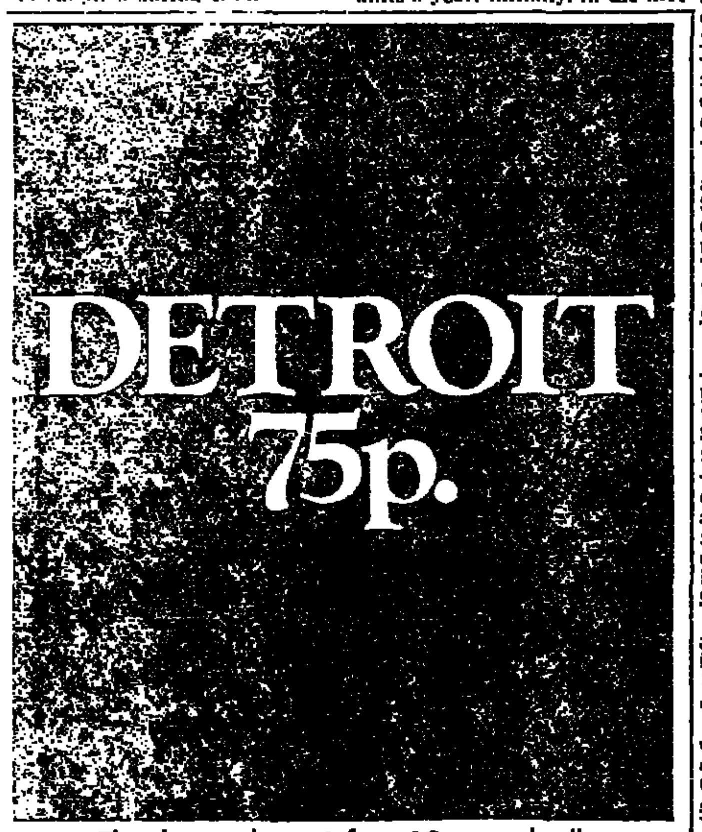
Electrical measuring instruments will be made from raw material to final calibrated instrument stage. The plant has a five-year pioneer industry status certificate and an export enterprise certificate awarded by the Singapore Ministry of Finance, entitling the venture to a five-*year tax holiday from the usual* 40 per cent. company income tax and a 4 per cent. tax rate on corporate income derived from export sales, as against a possible 40 per cent. rate, respectively.

Yokogawa has paid considerable attention to training—19 Singaporean technicians and engineers were sent for a nine-months training period to the Tokyo parent plant last year. Of the 70 personnel at the Singapore *factory now, only seven are from* Tokyo.

Another concern of the Japanese has been to minimise potential pollution hazards. Anti-pollution devices at the Singapore factory ensure that noise levels are kept down to 45 decibels; an exhaust system extracts air and treats it for acid, alkali or organic pollution; and a water treatment plant processes industrial waste water before discharging it into Singapore sewers.

The company has invested almost S$9m. (£1.76m.) already in terms of the plant's land and building costs, machinery and equipment.

Yokogawa also announced to-day that it has formed a second company in Singapore, Yokogawa Corporation of Asia, to provide sales and service support for Yokogawa instruments in Singapore, Malaysia, Indonesia and Brunei. This company has an authorised capital of S$1m. (£196,000). Yokogawa's market share in this region is 45 per cent. according to Mr. Kazuo Katsuno the new concern's managing director.



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IN BRIEF

ECGD support

West German companies can buy £2.5m. of U.K. plant and equipment under a £2m. Lloyds Bank line of credit with Commerzbank, guaranteed by ECGD. Contracts must have a minimum value of £10,000.

India-EEC link

India is to establish an agency in Brussels to represent both public and private sectors. It will handle independently all export matters relating to the EEC. Mr. T. A. Pai, Ministry of Industry, said there was need for such an agency to handle exports of non-traditional items as well as engineering consultancies and sub-contracts. Information from the External Affairs Ministry was "often too late," and bidding for many tenders floated by the EEC was thus prevented.

Caracas metro

Venezuela will be obliged to seek private finance of $150m-$200m. to construct the Caracas Metro, and will require about $100m. from foreign financial institutions, according to Venezuelan government sources. Bids are being called for the first 19.8km. stretch of the subway, on which $465m. will be spent. It will be the principal line of the mass transit system. The main east-west segment of the Metro, to be initiated next year, will include both underground and surface sections, and should be completed about 1982.

India's import bill

India's 1974-75 import bill was 51 per cent. above 1973-74, according to official figures. It rose to Rs.44.86bn. (£2.45bn.) from Rs.29.55bn. (£1.62bn.).

Shell-Exxon deal with Petronas

By Our Own Correspondent

KUALA LUMPUR, Nov. 27.

AFTER SOME initial wrong moves, Malaysia's state oil company, Petronas, is having talks with Shell and Exxon for a long-term production sharing agreement, Tengku Razaleigh, chairman of Petronas, said to-day the two oil groups were studying a model agreement presented to them by Petronas a week ago.

Tengku Razaleigh stated that from the Malaysian Government's point of view the model agreement was an improvement on those adopted by Petramina, the Indonesian oil company.

Currently, Exxon and Shell operate in Malaysia under an interim agreement, reached a few weeks ago, which allows them to retain 7½ per cent. of gross revenue to meet operating expenditure, plus an undisclosed "additional sum" to cover expansion of output.

The two companies have been given assurances by Petronas that certain controversial sections of the Petroleum Development Act, giving sweeping powers to Petronas over foreign oil companies, would not be implemented.

Tengku Razaleigh added that he was hopeful an early agreement on production sharing would be reached, and that Malaysian oil output could reach 200,000 barrels daily by the end of next year. At present, Shell is producing 115,000 barrels of oil daily from its wells in Sarawak and Sabah, while daily output from the Exxon wells at Sabah is 5,000 barrels.

Canada will spend $950m. on aircraft

OTTAWA, Nov. 27.

CANADA wil buy 18 Lockheed Aircraft Corporation P-3 long-range patrol aircraft and spare parts worth $950m., Defence Minister James Richardson told Parliament in a statement.

Lockheed has said *there will* be about $450m. in benefits for Canadian industry, with some of the electronics being made here.

Mr. Richardson said that Canada will increase defence capital expenditure by 12 per cent. a year for five years beginning in 1977.

He said that Canada will provide moder ntanks for Nato forces in Europe. He did not say whether this meant refitting *Centurion tanks, or ordering* new ones and he gave no cost estimate.

Reuter

Mexico-EEC talks next week

By Our Own Correspondent

MEXICO CITY, Nov. 27.

MEXICO IS to seek non-preferential agreements for the sale of bees' honey, citric acids, refined lead and zinc and phosphate to the European Common Market, Sr. Eliseo Mendoza Barrueto, the deputy Trade Minister, said here to-day.

Sr. Mendoza, who will head the Mexican delegation to the first meeting of the mixed EEC-Mexico Commission to be held in Brussels next week, said those were the only areas in which Mexico could benefit from a non-preferential accord.

He emphasised, however, that the EEC-Mexican agreement signed last August went beyond trade matters and dealt with the whole spectrum of economic co-operation. He therefore hoped that at the coming meeting and subsequent six-monthly meetings of the Joint Commission other topics, such as transfer of technology and mixed ventures, would also be discussed.

Although Mexico does about 25 per cent. of its total trade with the EEC, it has a chronic trade deficit with all nine countries.

BALTIC SEA SEARCH FOR OIL AND GAS

By Leslie Colitt

BERLIN, Nov. 27.

THE SOVIET UNION, Poland and East Germany have agreed jointly to explore for offshore oil and natural gas in their region of the Baltic Sea. An agreement has been signed establishing Gdansk, Poland, as the seat of the multinational group. No details have been released of what technology will be used.

East Germany gets over 90 per *cent. of its oil from the Soviet* Union, and Poland somewhat less. East German and Polish exploration for potential energy sources, particularly natural gas, have been stepped up recently as the result of the latest price rises for Soviet oil.

No previous finds of offshore oil have been reported in this region of the Baltic, although earlier this year the Soviet Union said it would obtain 200,000 tonnes of oil this year "from the Baltic area" around the coastal city of Kaliningrad, the former German Königsberg. Production is expected to rise to 1m. tonnes annually in a few years' time.

EMI LAB IN U.S.

EMI is to establish an electronics product development laboratory in the United States, to support the company's expanding electronics business there. Mr. A. Normand Provost, President of EMI technology, said to-day that the basic function of the laboratory in Danbury, Connecticutt, would be to provide a scientific base to support EMI's North American manufacturing and marketing operations and to serve as a direct link with customers.

AMERICAN NEWS

Olympic raids finished, say police

MONTREAL, Nov. 27.

POLICE SAID to-day that they had finished a series of raids begun earlier in the week into an alleged fraud in construction of the Olympic Village. A Quebec Police Force spokesman said that a "large number of cases of documents" had been seized during 30 to 40 raids on Tuesday and Wednesday.

The spokesman said that it may be weeks and perhaps months before all the material is examined but arrest warrants would be sought if evidence of criminal activity was uncovered.

The raids revolved around what police described as the central figure in the investigation—Les Terraces Zarolega, a building consortium that handled construction contracts of the $90m. Olympic Village.

Police said that they would probably investigate two Montreal companies, each of which collected $1.38m. in bonuses for early completion of work at the Village site.

The raids in and around Montreal included offices of the Zarolega Consortium on the site of the Olympic Village and offices of the Olympic Organising Committee (COJO).

Police raided the homes of Zarolega partners Joseph Zappia, Rene Lepine, Andrew Gaty and Gerald Robinson, and the homes of COJO Vice-President Simon St. Pierre and architect Luc Durand. They said they were looking for any signs of fraud involved with the Olympic facility which has tripled in cost in one year.

Mr. Jean Loiselle, assistant to St. Pierre, said that the raids at COJO offices had been "disturbing," but there was no indication that COJO officials were being investigated.

UPI

Hearings on CIA and Chile to go ahead

WASHINGTON, Nov. 26.

THE SENATE Intelligence Committee is to go ahead with public hearings on secret operations in Chile by the Central Intelligence Agency, although senior Administration officials refuse to testify, the chairman, Senator Frank Church, said to-day.

He said that both Secretary of State Henry Kissinger and CIA Director William Colby had declined to testify publicly on the agency's operations in Chile, claiming that it would damage American security.

In a letter to the Committee, a copy of which was released by the panel, Dr. Kissinger said that it would be "wholly inappropriate for an incumbent Secretary of State to appear in an open session" to discuss covert U.S. operations.

"The very presence of the President's senior Cabinet officer at such a hearing would cast an implication which could have extremely serious international repercussions," Dr. Kissinger wrote.

Reuter

Manson disciple guilty of trying to kill President

SACRAMENTO, Nov. 27.

LYNETTE "Squeaky" Fromme, the first woman ever convicted of an attempted assassination of an American President, to-day faced the possibility of a lifetime in prison for what she claimed was a hoax hold-up of President Ford.

The jury's verdict last night put behind bars the ninth member of the death-oriented Charles Manson hippie cult which terrorised Los Angeles in 1969 with the bizarre killing of actress Sharon Tate and six others.

Judge Thomas J. MacBride will sentence *Miss Fromme* (27) on December 17. Her court-appointed lawyer said that an appeal would be lodged against the verdict.

Miss Fromme was accused of pointing a .45 calibre pistol at the President here on September 5. The weapon had four cartridges in its clip but none in the firing chamber.

Asked if he thought that the judge might show leniency to Miss Fromme because of conflicting evidence about whether she intended to kill the President, her lawyer, Mr. John Virga, said: "If I was the judge I would have to abide by the jury's verdict. They have resolved those issues by finding her guilty." Miss Fromme, ejected from the courtroom on November 4, heard the verdict over a loudspeaker set up in her cell.

Mr. Virga, who visited *her* after the jury returned, said "I'm certain she was not pleased at the verdict." He had asked the jury to find her guilty of a lesser charge of assault under which she would have faced a maximum of ten years in jail.

In a bitter denunciation outside the courtroom, Sandra Good (30), Miss Fromme's flatmate and the last hard-core member of the Manson family still outside *prison, said: "Once again you* have judged a reflection of yourselves. Your children will rise up and kill you."

Commenting on the Manson family, she asked: "Does one small family have to give their whole life all the way to the gas chamber to call your attention to what you do to yourselves? Seven dead bodies didn't wake you up?" This was an apparent reference to the Sharon Tate murder victims.

Miss Good was wearing a long dress with a hood similar to the one Miss Fromme had on when she confronted the President. Both women say they are "nuns" of a Mansonist ecology movement.

Reuter

Contempt citation threat to Morton

WASHINGTON, Nov. 27.

U.S. COMMERCE Secretary Rogers Morton to-day faced the threat of rapid moves in the House of Representatives to find him in contempt of Congress, in a dispute arising out of the Arab boycott of Israel.

At issue in the affair, which could end with his being sent to prison, is the Secretary's reluctance to divulge to a Congressional sub-committee the names of companies asked to comply with the Arab boycott.

On Tuesday, Mr. Morton said in a compromise proposal that he would supply the details if the subcommitte of the House of Representatives Interstate and Foreign Commerce Committee kept them confidential.

But the *subcommittee chair*man, Congressman John Moss of California, wrote back saying that this was unacceptable as it "would preclude the subcommittee from relaying this data to federal prosecutors if violations of the law were discovered."

Mr. Moss continued: "Accordingly, I will seek the earliest possible consideration in the full Committee of a motion to recommend to the House that you be found in contempt . . ."

The Subcommittee Chairman apparently *meant* to hasten action on a November 12 recommendation that Mr. Morton be held in contempt, made when he first declined to divulge the requested details. The November 12 vote was the first ever recommendation that a cabinet member be cited for contempt of Congress.

Two days later, the House Intelligence Committee voted to cite Secretary of State Henry Kissinger *for contempt* on three counts of failing to supply subpoenaed information.

Mr. Morton is stepping down at the end of the year to be replaced by Mr. Elliot Richardson, U.S. Ambassador to Britain.

Reuter

Saudi proposal vetoed

SACRAMENTO, Nov. 27.

GOV. EDMUND Brown Jr., citing discrimination against Jews by the Saudi Arabian Government, has formally killed a proposal to send soon-to-be-laid-off state highway engineers to the Mid-eastern country.

He ordered the Department of Transportation to tell the Saudi Government that "no agreement can be negotiated which does not include provisions guaranteeing non-discriminatory em*ployment.*"

Gov. Brown's move followed by one day a statement by the Saudi Arabian Government that it would not permit anyone "adhering to Zionism" to enter the country, an apparent broad reference to California Jews who face lay-off. The Governor said: "In view of restrictive policies, state participation does not appear feasible."

UPI

VW still interested in U.S. venture

By Peter Foster

VOLKSWAGENWERKE AG, the West German car giant, is still considering the possibility of a joint venture to manufacture its cars *in the U.S., despite* reports earlier this week that it was no longer looking for an American partner.

Company sources in Wolfsburg pointed out yesterday that although negotiations with Chrysler might be over—as claimed in the U.S. on Tuesday by Mr Leonard Woodcock, President of the United Auto Workers Union—that did not preclude a joint venture with another American *company.*

VW is still actively seeking partners for its proposed manufacturing operation in the States. The company is keen that co-operation should either take the form of a joint venture or licensing operation, although it is prepared to "go it alone" as a last resort.

The proposed move is based on the importance of the U.S. market to Volkswagen and the length of the *pipeline* between manufacturing base in Germany and the American market.

Volkswagen estimates that it will sell some 330,000 cars in the U.S. this year and believes that the North American market is likely to remain its major export market for many years to come.

In the past, VW has suffered from the length of time needed to adapt its supplies to the American market and has also been a victim to dock strikes.

It believes that manufacturing capacity in the U.S. will not only allow it to respond much more quickly to fluctuations in American demand but will also cushion sales from exchange rate fluctuations and possible import controls.

The fact that German wage rates are rising faster than those in the U.S. means also that manufacturing *costs are not so* much of a deterrent to U.S. manufacture as in the past. In addition, productivity is higher in the States.

Peru economy 'critical'

LIMA, Nov. 27.

PRESIDENT Francisco Morales Bermudez said to-day that Peru's economy is "going through a critical stage." General Morales Bermudez, who took power in a bloodless coup three months ago, added that the left-wing revolution begun by the Army seven years ago would continue despite the new "economic, political and other difficulties" facing the Government.

General Morales Bermudez, who is regarded as distinctly more moderate than his predecessor, General Juan Velasco, also said this week that the "second stage" of the revolution (which began when he took over at the end of August) would last a further six years after which a "transfer of power" to civilians could take place. This is the first time in many years that the Army has talked of handing over to civilians.

PRESIDENT FORD'S NEW YORK PLAN

A city saved, but still broke

BY GUY DE JONQUIERES, NEW YORK CORRESPONDENT

NEW YORK City has been rescued from the threat of bankruptcy after some eight months of mounting tension and uncertainty. Relenting in his opposition to federal aid, President Ford has declared that New York has bailed itself out and has proposed federal loans to the city of up to $2.3bn a year to relieve its seasonal cash flow problems until mid-1978.

The Congress will take up the President's proposals when it *returns from recess next week.* It is widely expected that, with White House support, the legislation will sail through in time to prevent a default early next month, when the city's current sources of cash would otherwise run out. Thus the city will remain in business, and the fears *of impending catastrophe in the* financial markets that have been voiced during the past few months have proved groundless.

It would be comforting to be *able to assume that,* with the immediate crisis apparently resolved, the city was now entering a period of intensive convalescence from which it would emerge within a year or two, financially strong and as sound as the dollar, as people used to say. But the outlook remains far too cloudy to be able to forecast any such recovery with certainty.

Even before the latest rescue plan can go into effect, a number *of obstacles* must be cleared out of the way. The legislation passed by the New York State legislature earlier this week, which provides for up to $9bn. in new aid to the city over the next three years, is so intricate that it could still be derailed if any of its component parts become uncoupled—and some of them look decidedly shaky.

The principal danger to the State aid package, which must *be implemented before* federal loans are granted, is that it may be challenged in the courts. A small bank in the borough of Queens has already filed a lawsuit contesting the provision for a debt moratorium, under which holders of $1.6bn. of maturing city notes would be offered the chance to exchange them for longer-term securities bearing a lower yield, but would be denied repayment of their principal for several years.

The new securities would be issued by the Municipal Assistance Corporation, the financing vehicle set up by N.Y. State last June. The prospectus for the MAC exchange offer lists dozens of other lawsuits, challenging such provisions as the allocation of city revenues to service MAC debt, and the purchase by municipal pension funds of additional MAC bonds as part of the *rescue plan. While they remain* unresolved, these lawsuits will inevitably cast a shadow over the integrity of the entire financing package. If any of them were to succeed, they could bog it down irretrievably.

As it is, the credit status of the proposed $1.6bn. MAC bond issue is very much in question. No specific sources of revenue have been earmarked to service the debt—largely because New York City and State are so hard pressed financially that no such sources are available. Ultimately, the only security offered to prospective bondholders is the moral commitment of the New York State legislature to continue voting money to service the debt in the years ahead.

The state's own finances will continue to be heavily strained by efforts to help the city. To fulfil its role in the plan, the state must somehow find $800m. before next spring to make advance aid payments during the second quarter. It must also raise $2.5bn. in so-called tax Anticipation Notes in April to finance seasonal cash shortages. In addition, it is saddled with the burden of supporting various independent agencies, such as the Housing Financing Agency, which can no longer borrow on their own.

Diminished confidence in the state's own credit has excluded it from the debt markets since last summer. Despite President Ford's offer to share the burden of city financing, it is doubtful whether the state could return as a large-scale borrower to-day. The major banks have made it clear that they will not touch the State's paper until it takes steps to eliminate its mounting budget deficit, estimated to be between $300m. and $800m. during the current fiscal year.

This deficit must be dealt with before the end of June. The *State legislature will thus* be called *upon* during the next few months to pass a number of painful measures, which are certain to include both cutting expenditure and increasing state taxes.

In the meantime, New York city must put into effect the austerity measures prescribed by the State Legislature and endorsed by the President. To balance its operating budget, it must lop at least $270m. from expenditures in each of the next two years. That will entail delicate negotiations with the powerful municipal unions as well as with the increasingly vocal representatives of the city's poor Black and Puerto Rican communities. Even if these cuts can be agreed without open confrontation, it will be difficult to ensure that they are carried out to the letter because the city lacks a modern system for monitoring outgoings. The balancing of the budget which they are designed to achieve may well be only apparent, rather than real, because a sizeable chunk of the city's operating expenditures are still met from the capital budget.

Some of Wall Street's most knowledgeable experts seriously question whether the markets will be prepared to lend to the city again, even in three years time.

A further problem that remains to be tackled is the city's municipal pension funds, which must be assured an adequate flow of contributions to be able to carry out their commitment to purchase additional MAC bonds. These funds are already labouring under an unfunded liability of $6bn—a sum which would be even greater if they were to bring up to date their actuarial assumptions, last revised about 60 years ago. Only drastic cuts of pension benefits can eliminate this overhang.

The underlying assumption made both by the State and by the President is that the city will have restored its fiscal affairs sufficiently to be able to resume borrowing on the public debt markets before the end of 1978. *But some of Wall Street's* most knowledgeable experts, whose confidence in New York's credit has been shattered during the past year, seriously question whether the markets will be prepared *to lend to the city again* even in three years' time.

One of the nagging questions that cannot yet be answered is what will happen to the city's economy during this period. Though the statistics show New York to be one of the wealthiest cities in the country, its economic base has been eroding steadily. Employers and the prosperous middle class have been moving to the suburbs, to be replaced by poorer people attracted by the city's generous welfare payments.

None of the proposals for restoring its fiscal integrity offers any practical solution to this problem—indeed, there is a serious danger *that they will* exacerbate it. It is widely feared that the emergency fiscal measures, voted by the State Legislature, which include a 25 per cent. surcharge on the personal income tax levied by the city, and a 50 per cen increase of inheritance taxes, will speed up the exodus of New York's more prosperous inhabitants.

The tax increases are supposed to be only temporary, but those *who leave New York because of* them will probably do so for good. Unless some decisive steps are taken to rebuild the city's economic base, the treatment now being applied to its fiscal malady could ultimately prove as debilitating as the disease itself.

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OVERSEAS NEWS

Japan business impatience with economic growth

BY CHARLES SMITH, FAR EAST EDITOR

RENEWED impatience at the almost invisible pace of Japan's economic recovery was expressed to-day by leaders of the Keidanren (the Federation of Employers Organisations), the most powerful Japanese businessmen's group, at a joint session on economic problems with business leaders in Japan's second industrial city of Osaka.

The Keidanren leaders' protest at the state of the economy, which included calls for lower interest rates, higher price levels for products of deficit ridden industries and an expansionary 1976 budget, coincided with the release of a set of economic indicators for October suggesting virtual economic stagnation.

The industrial production index for the month remained at the September level of 113 (1970 average equals 100) but shows a ½ per cent. drop if the volatile shipping industry is excluded. Producers' shipments for the month were up by 1.7 per cent. from September but inventories of finished goods showed a 0.3 per cent. rise, the fourth successive monthly increase.

The official forecast for Japan's economy during the second half of the current fiscal year (September, 1975 to March, 1976) is that the gross national product will increase by 6.2 per cent. over the first half of the fiscal year giving an overall growth rate for fiscal 1975 of 2.2 per cent. Economic indicators for the first month of the half-year month period can hardly be said to back up these predictions.

Official commentators on the economy (apart from the Ministry of International Trade and Industry (MITI) which appears to share the discontent of the business community) say that Japan is doing well compared with almost all other OECD member countries, even if considerably less well than was expected when the economy touched bottom early this year.

Fraser bolstered by latest poll figures

BY KENNETH RANDALL CANBERRA, Nov. 27.

AUSTRALIA'S caretaker Prime Minister, Mr. Malcolm Fraser, officially launched the election campaign of the Liberal and National Country parties to-night, bolstered by the latest Gallup Poll finding that his coalition would have coasted into the office if the poll had been last weekend.

The poll showed Liberal-NCP support at 51 per cent. to 42 per cent. for the Labor Party when respondents were asked which party would get their first preference vote. But there were some other quirks in the poll which give the non-Labor parties cause for caution.

When people were asked which party they thought would win the House of Representatives election and therefore Government, 47 per cent. said Labor and 43 per cent. Liberal-NCP.

Nevertheless, this is the second poll this week to show that, as at last week-end, Labor's resurgence of support had apparently faltered and the non-Labor parties were back in the lead.

In his policy speech to-night for the December 13 elections, Mr. Fraser concentrated heavily on economic management and the revival of the private sector. He promised that over three years income-taxes and stock valuations of businesses would be indexed to current inflation rates. From January 1, there would be a 40 per cent. depreciation allowance for new capital investment, in addition to current accelerated rates introduced by the Labor Government as a short-term measure.

Mr. Fraser also promised a tougher tariff line against imports, to give local industry and employment "the protection it needs." He criticised the government's tariff advisory body, the Industries Assistance Commission, for being "vocal about the costs of protection" without being able to quantify them, and said a Liberal-NCP Government would set "firm guidelines" for the commission's operations.

Bangladesh plans talks with India

By K. K. Sharma

NEW DELHI, Nov. 27.

BANGLADESH intends to send a high level delegation to India "to discuss the future development of relations between the two countries."

This was conveyed to the Indian Prime Minister, Mrs. Indira Gandhi, by the President of Bangladesh, Mr. A. V. M. Sayem, when he personally telephoned her this morning, according to an official spokesman here.

Mr. Sayem contacted the Prime Minister "to express his deep regret and concern" at yesterday's incident in Dacca in which an attempt was made on the life of the Indian High Commissioner, Mr. Samar Sen, by an armed gang which shot him in the shoulder. President Sayem had told Mr. Sen a few days ago that he wished to send a high level delegation to Delhi for discussions.

In the course of his conversation with Mrs. Gandhi this morning, he indicated his plan to send the delegation "shortly," the spokesman said.

Meanwhile, the special Indian Air Force aircraft which had gone to Dacca with medical personnel returned to Delhi to-day. The medical team examined Mr. Sen soon after landing in Dacca last night and declared that the operation on him was successful and that Mr. Sen was making progress in a Dacca hospital.

The High Commissioner felt that in the prevailing circumstances it would be better for him to remain at his post in the interest of maintaining India's representation at the appropriate level in spite of his present condition.

MPLA claims to hold key Angola town

THE Popular Movement for the Liberation of Angola (MPLA) said on Luanda radio yesterday that it still holds the key town of Malanje and had routed its foes at Caxito, just northeast of the capital.

A communique rejected claims by the rival Unita—the National Union for the Total Independence of Angola—that it took Malanje in central Angola last week and with it Russian and Cuban prisoners.

The radio, monitored in Britain, said troops of Unita and the allied National Front for the Liberation of Angola (FNLA) had been routed "on the Caxito front, in the east, in Cabinda and in Cuanza Sul."

EUROPE AND THE ARABS

A dialogue at cross purposes

BY REGINALD DALE, COMMON MARKET CORRESPONDENT ABU DHABI, Nov. 27.

AFTER A week-long meeting in the lavish comfort of the Abu Dhabi Hilton at a cost of $1m. to the Abu Dhabi Government the Euro-Arab dialogue is about to move into a new and more decisive phase. With three working sessions completed both sides are beginning to be considerably clearer about possible areas for economic and technical co-operation between the EEC and the Arab world. If progress is proving difficult in four of the seven specialist committees (those covering trade, finance, technology, and labour questions), in the three important fields of industry, infrastructure, and agriculture, experts are now ready to start setting up working groups and trying to identify worthwhile joint projects.

But uncharted and almost certainly rough water lies ahead. In Arab eyes, the major outcome of this week's talks has not been the work in the technical committees, but the agreement to convene the first meeting of the General Commission in the near future, upgrading the talks from official to ambassadorial level. For the Arabs, that can only mean that the dialogue is about to be extended to include the political discussions they have persistently sought, and which the Europeans have, with equal persistence, resisted.

In the European view, the General Commission is meant simply to assess the work so far done at technical level and give its blessing to further expert discussions. The Europeans claim that the agenda and date of the meeting remain to be settled and that the only major political question facing the General Commission in their opinion, the status of the Palestine Liberation Organisation, has already been solved with the agreement that delegates in each of the two groups remain anonymous. This allows PLO representatives to attend the talks in the body of the Arab delegation without being officially present.

It will not be easy to maintain this line. In the joint communique issued here to-day the Europeans accepted that the "political dimension of the dialogue must be taken into account," and that the General Commission will be convened "in this spirit." The Arabs will certainly make maximum use of this text when officials from both sides meet to draw up the agenda in Cairo next month. The Arabs have another bargaining counter from this week's agreement, that the working group the Europeans want to discuss joint projects will not be set up until the General Commission has given its approval. It seems inevitable that the Europeans will now once again come under strong pressure to give ground to the Arabs' political demands, or risk jeopardising the whole dialogue.

> 'The fundamental problem is that the Nine are totally unable to respond to most of the major Arab demands—even if they wanted to.'

The Arabs know their own strength. They know that the Europeans need Arab oil, Arab investment and Arab contracts—particularly at a time of world recession. At the same time the Arabs have a fairly clear idea about the general lines of what they want from the Europeans in return, even if they are often unsure about the details. They want to swing the Nine round to taking a much more pro-Arab stand on the Middle East in general, and on the Palestine issue in particular. They want free access to the Community market for all their exports, both industrial and agricultural, and measures to stabilise their export earnings. They want to use the dialogue to build the foundations of a future industrial economy that will ensure their continuing prosperity when they no longer have oil to rely on.

They want financial guarantees that the value of their investments in Europe will not be eroded by inflation or currency fluctuations, and they feel it is up to the Europeans to suggest how this can be done. They want help in building up their own financial and capital markets, and they want technical assistance in developing their economies, in areas ranging from agriculture to airports. They want a far better deal for their migrant workers in the EEC, and they want to share the fruits of European technological and scientific research.

Many of the Arab countries do genuinely want a "special relationship" with Europe, both politically and psychologically. Arab delegates have been pointing out here this week that the Nine must be prepared to offer a relationship that is at least as good as, and preferably better than anything they have with other non-Arab countries. They ask how the Europeans can be serious about the dialogue if the Community is not prepared to offer the whole Arab world the same trade privileges as it has given to Israel. Why cannot the Arabs have the same trade treatment that the African, Caribbean, and Pacific nations have been granted under the Lomé Convention they ask.

The fundamental problem is that the Nine are totally unable to respond to most of the major Arab demands—even if they wanted to. They cannot even consider throwing open their frontiers to Arab migrant workers in the foreseeable future, let alone in the present economic climate. They cannot extend their preferential trade area beyond the Mediterranean to include the nations of the Arabian Peninsular, because they have promised the Americans not to. The brand new Arab industries may well pose a serious competitive threat to the Community's older industries, which could soon be clamouring for more rather than less protection.

Nor are the Nine in any position to meet the political demands. The Americans have been promised that politics will be kept out of the dialogue. The Nine are in any case deeply split among themselves on the Middle East, with the Dutch, Danish and German sympathy for Israel sharply at odds with the pro-Arab leanings of France.

Some EEC diplomats argue that the dialogue should never have been allowed to get off the ground in the first place. All the Nine have done, they maintain, is to open up a new front for the Arabs to press for concessions without providing a means for the Community to secure anything tangible in return. All that the dialogue hopes to promote in terms of orders and investments could be achieved equally well, if not better, in bilateral contacts, which are continuing at a hectic pace, the argument runs. This school dismisses claims that the dialogue will somehow help to diminish cut-throat competition among the Nine for Arab contracts. It was, after all, agreed from the beginning that the dialogue should not interfere with the bilateral activities of the Nine.

European supporters of the dialogue would probably accept that there is some truth in this. But they would argue that by its very existence the dialogue should lead to a more stable European-Arab relationship, provided both sides can keep talking. The Nine cannot afford to neglect any opportunity to try to establish closer links with such a key area of the world; by trying to put the relationship on a more coherent footing, the danger of confrontation may be reduced.

Economically, it is argued, the Nine have a major interest in having a say in the planning of Arab industrialisation, if by so doing they can help to avoid disastrous over-capacity in major industrial sectors such as petrochemicals or steel. There are potential gains to be made in clarifying the conditions in which European companies operate in the Arab world and, perhaps, in working out new rules covering compensation for nationalisation—quite apart from the hope of important new contracts and orders.

So far the Nine have managed to hold most of their ground in refusing to offer major trading concessions or talk politics. With the Arabs themselves split between moderates and hardliners it is far from clear how near the brink they will be prepared to go. There are those in the Arab camp who would argue that unless the dialogue becomes political it might as well be scrapped. Interestingly, the Palestinians do not seem to be among them. Others believe that the dialogue would be worth continuing for its practical economic advantages, even if politics continue to be excluded. But the moment is approaching when the Nine will have to brace themselves to give a clearer "yes" or "no" to the Arab demands—and then face the consequences.

Untouchables 'need help'

BY OUR ASIA CORRESPONDENT

NEW LEGAL measures should be taken by the government of India to help its 80m. Untouchables enjoy their full rights. This is the main finding of a study published yesterday by the Minority Rights Group.*

Legally, untouchability in India has been abolished and the Untouchables have some places reserved for them in universities and in the civil service. But in practice, says the report by Mr. Dilip Hiro, in every other respect the Untouchable meets prejudice

Mr. Hiro says that a strengthening of the law would help overcome the Untouchables' own lack of confidence and self-respect, especially if it was added to an attack on the hereditary vested interests of the upper castes.

* *The Untouchables of India by Dilip Hiro; the Minority Rights Group, 36 Craven Street., London WC2, price 45p.*

CONGRESS TO DISCUSS THE EMERGENCY

By Our Own Correspondent

NEW DELHI, Nov. 27.

The ruling Congress Party is to hold its annual session in Chandigarh next month and will discuss the political situation in the country in the context of the State of Emergency.

Also to be discussed is the state of the economy and international affairs.

This has been decided at a meeting of the Congress working committee.

Burmah Shell deal agreed

BY OUR OWN CORRESPONDENT NEW DELHI, Nov. 27.

AGREEMENT has been reached between the Ministry of Petroleum and Chemicals and Burmah Shell on the takeover of the latter's refinery in Bombay and its marketing set-up in India.

Burmah Shell, with its 6m. tonne refinery and countrywide network of retail outlets is the biggest foreign oil company operating in India.

Details of the agreement, which involves a total takeover of the company, will be announced after it has been approved by the Boards of Burmah Oil and Shell International and by the Indian Cabinet.

The total takeover is a departure from the 74 per cent. share the government bought from Esso a couple of years ago. It is expected that the Burmah Shell refinery will be used to process crude produced by the offshore Bombay High Structure which will begin production next year.

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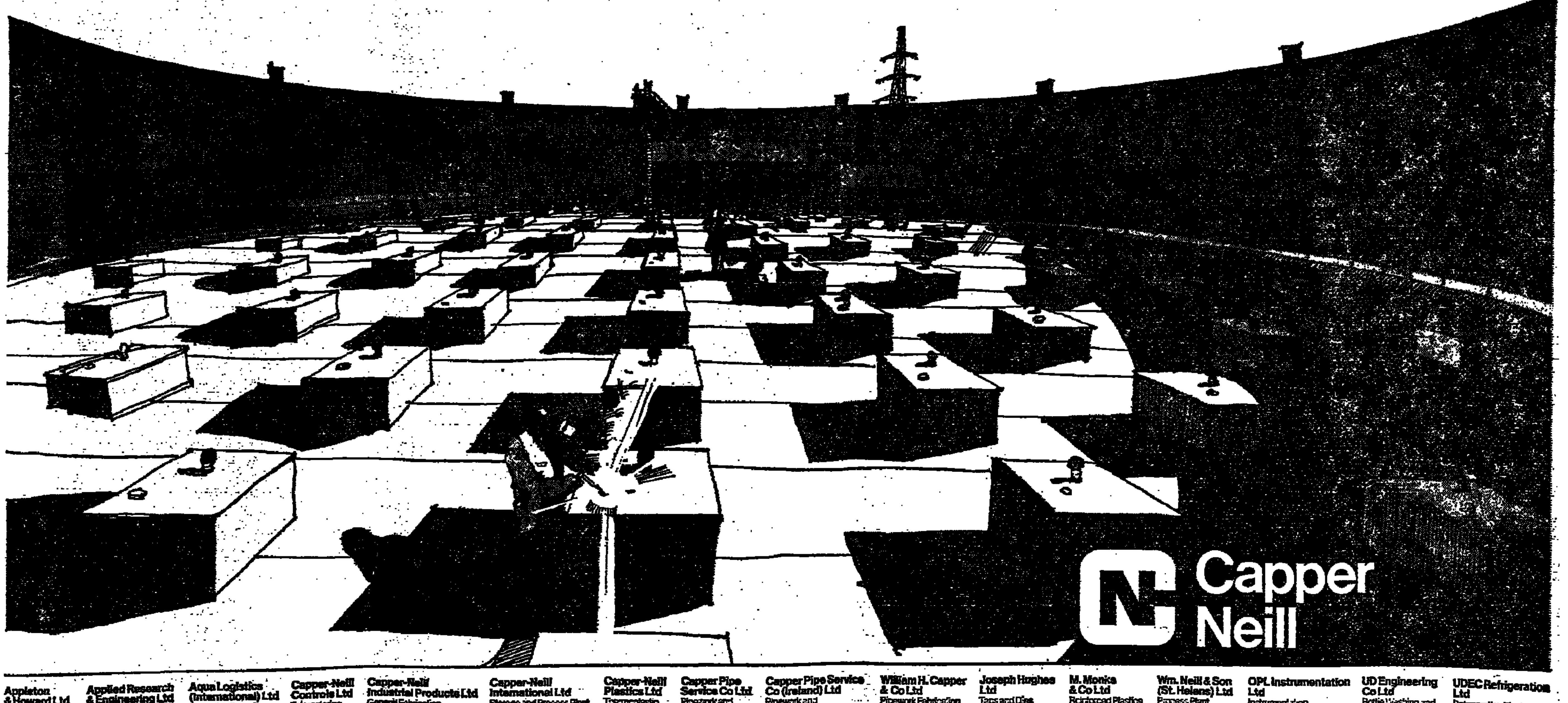

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No view from the summit of the European Community

By IAN DAVIDSON, European Editor

THE POLITICAL leaders of the nine members of the European Community gather in Rome on Monday and Tuesday for one of the routine meetings of the so-called European Council. It is difficult to see next week's meeting achieving anything very significant, and it is a fair assumption that, as with the six-national Economic Summit at Rambouillet ten days ago, the genuine accomplishment of the conference will be in inverse proportion to the length of the communiqué.

When it was first scheduled, the main subject for debate was expected to be a report on European Union by the Belgian Prime Minister, Mr. Leo Tindemans. It rapidly became clear, however, that Mr. Tindemans did not expect to complete his report in time, and while he may give the other heads of government some indications of the way his mind is moving, the document itself will not be ready for publication until next year, and will therefore not be discussed until next spring's European Council meeting.

There would appear to be two main reasons for the delay. The first is that it is not at all easy to say how the process of European integration should be advanced. The Community can, of course, carry on with its piecemeal tinkering, from company law, to technical barriers to trade. But it is increasingly obvious that these nuts-and-bolts negotiations are not in fact providing the sort of political overspill that M. Jean Monnet envisaged, and that if the Community is to recover the momentum required to fulfil the grandiose aim of European Union, then the governments must make a much bigger and more conscious political input than they have hitherto done.

The last attempt at a quantum jump, the programme for economic and monetary union, failed dismally because the member states deluded themselves that they could have the shadow without the substance—a monetary union without any significant transfer of either political authority or financial resources from the national capitals to the Community institutions. Failure is damaging, and Mr. Tindemans is understandably anxious not to make any ill-considered proposals.

Above all, he is known to be anxious that the member governments should have time to digest and consider his report well before they have to debate it at a two-day summit meeting. For at the moment there is absolutely no sense of urgency from any of the member states for a quantum leap forward in European integration. Chancellor Helmut Schmidt's attitude to the Community is hard-boiled and practical, entirely lacking *the idealism that characterised* Herr Willy Brandt. The French, under President Giscard d'Estaing, have left behind virtually all their Gaullist hang-ups, *but they have yet to move* beyond a flexible but otherwise uncommitted pragmatism.

The British attitude seems to be characterised by scepticism, if not actual hostility, to the idea of political integration. All the governments are currently preoccupied with recession and inflation, and Mr. Tindemans may hope that they will be more receptive to the medium-term problems of the European Community once the winter is over.

In the absence of the Tindemans report, four problems are likely to dominate the proceedings in Rome, each of them in one way or another symptomatic *of the present state of the Community*. The first is the problem of the Community budget, and both Herr Schmidt and Mr. Harold Wilson are expected to advance various proposals for keeping a better check on expenditure. One idea is that there should be a sort of super-Commissioner in Brussels with a right of veto over his colleagues' tendency to spend money; another that there should be a much tougher parliamentary *scrutiny of Community finances.*

The trouble with this type of procedural device is that it fails even to acknowledge the heart of the budgetary problem, which is the *cost* of the *agriculture* policy. Where the agriculture policy is concerned, the very notion of a fixed budget is little more than a polite fiction. The Ministers of Agriculture fix the prices paid to farmers, but the budgetary cost of these price decisions is simply the uncontrollable and unpredictable consequence of the state of the weather in Europe and elsewhere and the state of the world economy. The Commission makes a stab at estimating the cost, but the Community pays whatever the cost turns out to be. Since the agriculture policy accounts for three quarters of *the total Community budget*, it makes little sense to devise draconian procedures for controlling the remaining quarter, if nothing serious is done about the cost of the three quarters.

> Mr. Callaghan becomes quite undiplomatic in his language when it is suggested that Britain is dragging its feet over the question of direct elections to the European parliament. Yet it is as plain as a pikestaff that the British government is dragging its feet.

Just for perspective, the entire community budget is considerably smaller than the *increase*, unplanned and uncontrolled, in British public expenditure this year.

At the recent Council debates on the 1976 budget the Germans *made clear their determination* to slash wherever they could. Oddly, the British government acquiesced without any fuss in cutbacks in the provisions for the *social* and *regional funds* (which should be of benefit to the U.K.) and in aid for non-associated countries (which should benefit the Commonwealth). But when the Council turned to the agricultural element in the budget, no meaningful cuts were made, because meaningful cuts would require a different kind of agriculture policy. The net result of the cutbacks—assuming that they do not lead to a full-scale battle between the Council of Ministers and the European *Parliament*—is that the disproportion between agriculture and other forms of Community spending has been exacerbated.

The Community's record of piling up unsaleable surpluses has regularly prompted calls for "reform." But quite apart from the normal inertia of those with a vested interest in the existing system, it is arguable that any radically different type of policy (for example deficiency payments) would be even more expensive than the one we have. On the other hand, there appears to be a much greater awareness in Brussels and Paris that costly and damaging surpluses not merely should but must for political reasons be prevented in future. Since there is to be no *radical reform, the chances* are that the Community will try to deal with the skimmed milk surplus by slowing down the rise in milk prices, while it waits for the passage of time to reduce the number of marginal farmers.

The third problem which is bound to come up in Rome is the vexed question of the British demand for separate representation at next month's conference between oil producers and consumers, the Conference on International Economic Co-operation *(CIEC)*. According to the procedural rules hammered out earlier this year, three of the eight seats allotted to the industrialised countries would be taken by Japan, the U.S. and the European Community, leaving the other five to be shared out among the rest. Now it would seem that the *rationale* for Mr. Callaghan's demand is that the North Sea gives Britain interests which are quite distinct from the other eight member states, and cannot therefore be represented by the Community; in any case the Community has made little or no progress towards the elaboration of a joint energy policy.

Mr. Callaghan may not have fully realised all the implications of his demand, but the fact is that it is *construed* in Brussels, not just as an understandable if regrettable piece of nationalism, but as an anti-Community move. There have been many occasions in the past, before Britain *joined*, when individual member states felt that their interests diverged sharply from those of their partners; the classic case is the conflict between France and the Five over trade liberalisation in the Kennedy Round. Almost invariably, in such cases, the member state in question has used the constraint of an external negotiation as a lever to bend Community policy round its own interests: the Kennedy Round is the reason why *the Community* has the farm policy it has.

The British government could have employed the same tactic, but *instead* it has chosen the opposite course; for by demanding its own seat at the conference it seems determined to ensure that the Community as such can have *no meaningful* position at all. Of course, even in Brussels people can guess that the Foreign Secretary is less concerned with the Paris conference than with what Scottish Nationalist voters will think of his determination to stand up for British (or Scottish) in*terests*, but the thought does not reassure those who fear that the British government is still on a fundamentally different wavelength from the other eight.

Finally, *there is the question* of direct elections to the European Parliament. Mr. Callaghan becomes quite undiplomatic in his language when it is suggested that the British government is dragging its feet, and British diplomats in Brussels are working overtime to draw attention to the difficulties being raised by other member states like Denmark or Ireland. Yet it is as plain as a pikestaff that the British government is drag*ging its feet, for the equally* plain reason that direct elections will give added zest to the proportional representation lobby in the U.K. and will intensify the controversy about devolution.

It is difficult to see, however, what the government thinks it gains by giving the impression of dragging its feet on a question which has not merely been conceded in principle already, but which is increasingly taken in Brussels as the acid test of the Community's ability to move forward. The Commission has exhausted its capacity to act as the motor of the Community, and the governments show no inclination to take over that role, either in the Council of Ministers or in the European Council.

To some people it is beginning to look as though the Community may not be able to move forward *en bloc*, but should look for some formula by which those countries which are able and ready to take further steps in integration should be permitted to do so, while those which are economically weak or politically reluctant should be allowed to mark time. This would correspond to Willy Brandt's proposal for a two-tier Community, and there is *some suggestion* that it may resurface in the Tindemans report, with this caveat that all policies would be decided by all member states, even if some states did not in practice adopt them.

Whether such an approach to European integration should be construed as an admission of failure may be open to question. What is not open to question is that it cannot be applied to the Community's political institu*tions. The British government* may be able to opt out of its commitment to introduce tachographs in lorry-drivers' cabs, and it may be able to opt out of Community *pollution controls*. Where the European Parliament is concerned, however, there can be no halfway house.

Victors tighten their grip on Portugal

BY PAUL ELLMAN

LISBON, Nov. 27.

VICTORIOUS ELEMENTS in Portugal's military leadership were to-day moving to consolidate their political grip on the country *after crushing* the Left-wing military rebellion.

Although the region around the capital remained under martial law, with jet fighters skimming low over the rooftops in a show of strength, President Costa Gomes announced that banks would be allowed to re-open to-morrow as part of the gentle process of bringing life back to normal.

The military command in the Northern region announced that it was holding 51 NCOs arrested for their alleged part in the abortive uprising. There were unconfirmed reports that at least six leading members of civilian Far Left groups had also been taken into custody.

Those being held included the commander of the miliary police and his deputy.

A group of paratroopers was still refusing to surrender at the Tancos training base, 60 miles north of the capital—where the rebellion began early Tuesday morning—despite promises from the Air Force commander, General Jose Morais e Silva, that only those directly responsible for organsing the uprising would be brought to trial. The Air Force commanders pledged that force would not be used to flush them out of the base.

General Otelo Carvalho, head of Portugal's now defunct Copcon security force, and Army Chief of Staff General Carlos Fabiro, have asked to be relieved of their posts, according to a communique from armed forces headquarters.

General Carvalho had been named by Socialist leader Mario Soares as being involved *in the coup attempt.*

Reuter

In other moves, President Costa Gomes brought three more infantry regiments into the Lisbon region to stiffen loyalist *strength and the capital's main* arsenal which contains 30,000 rifles, was being occupied by the cavalry.

Commandos surrounded the headquarters of the disbanded internal security command—Copcon—whose former head, General Otelo de Carvalho, once described himself potentially the "Fidel Castro of Europe"—was in retreat at his seaside home outside Lisbon, reportedly now reduced to the rank of major.

A communique from the Presidency this evening declared: "At this moment the politico-military coup is which a false Left convinced itself that it would succeed in mystifying and manipulating the working masses and peasants has been overcome."

The communique appealed to the population to "integrate itself into the democratic and pluralistic path to a new socialist society," and to "reject all forms of totalitarianism."

The President's public commitment to pluralism came amid indications that the "Group of Nine" officers on the Revolutionary Council, who have emerged with their positions *strengthened during the past two* days, are now prepared to be generous towards the Communists.

Major Melo Antunes—the ideological mainstay of the "Group of Nine," who engineered the downfall of the former Communist-backed Premier General Vasco Goncalves—has stated that the "participation of the Communist Party is indispensable to the construction of Socialism."

Nevertheless, there are signs that the Socialist Party, the biggest in the country, is putting pressure on the military leadership to exclude the Communists totally from any new Govern*ment*.

The Government is expected to meet to-morrow for the first time since it went on strike a week ago in protest against the lack of firm support from President Costa Gomes and the military leadership.

Reuter reports that the Air Force High Command issued a new appeal to the rebels in Tancos to surrender in order to avoid "unnecessary violence." *It promised that only the ring*leader would be tried and punished.

An official statement said the High Command had no intention of disbanding the Paratroop Corps.

Police baton charge Madrid prison crowd

BY ROGER MATTHEWS

MADRID, Nov. 27.

THE TWO faces of post-Franco Spain were sharply juxtaposed to-day. While King Juan Carlos and Queen Sofia received the tributes of Western leaders and the acclamation of tens of thousands lining the streets of the capital, riot police used baton charges, tear-gas and water cannon to break up a crowd gathered outside Madrid's main *prison to wait for the release of* political prisoners.

European hopes that the King would lead Spain towards a new and democratic era were amply expressed by the presence in Madrid of Presidents Giscard d'Estaing of France and Walter Scheel of Germany, together with U.S. *Vice-President* Nelson Rockefeller, Britain's Prince Philip and high-ranking delegations from many other countries.

They attended a special service at San Jeronimo Church, followed by a reception at the Royal Palace and a military parade. For the first time in 38 years the presence of the Spanish Head of State was not greeted by a forest of Fascist salutes.

But while all the pomp and splendour associated with monarchy dominated the centre of the city, riot police launched a full-scale assault on people who assembled *outside* Carabanchel jail, both to await the release of prisoners and to protest at the narrowness of the pardon granted yesterday by the King.

When a prison official announced that due to the public holiday no prisoners could be released, a few of the steadily growing crowd, estimated at well over 2,000, began chanting: "Amnesty, amnesty."

Although the crowd, including many women and young children, had begun to disperse, riot police moved in with water cannon and then charged. As groups fled, they were pursued by large squads of police, firing tear-gas and supported by a helicopter overhead. At least 30 people, including journalists, are understood to have been arrested, although the final figure could be higher.

Many organisations, including lawyers, the lay Roman Catholic organisation Justice and Peace, *professional groups and most of* the country's illegal political parties have protested against the pardon and have demanded a full amnesty.

Legal sources repeated to-day that, if the pardon is strictly interpreted, only about 5 per cent. of the country's political *prisoners will be released.*

In a strongly-worded address to the congregation at San Jeronimo Church this morning, the Archbishop of Madrid, Cardinal Tarancon, appealed directly to the King to be the monarch of all Spaniards. Looking straight at Juan Carlos, he asked *for the introduction of* a liberty that was not a concession nor a subject for negotiation but something that was the basic right of every citizen.

Although stressing that the Church was not presuming to interfere in government matters, Cardinal Tarancon demanded that the legal and political structures of the country should offer the possibility for all Spaniards to participate freely.

He requested also that toler*ance and understanding should* be permitted for those people that might express opinions contrary to those of the government. And in a particular reference to the numbers of priests jailed and fined recently for their sermons, the Archbishop sought guarantees that Church and State *could live together* in mutual harmony and tolerance. Church sources said after the service that many priests had been jailed for say*ing far less during the past few* months.

President Giscard d'Estaing who, members of the Spanish moderate Right hoped would emphasise to the King the necessity of making positive moves towards democracy, had breakfast with Juan Carlos this morning. No details of the conversation have yet leaked out, but the French President said on leaving Madrid that he hoped Spain would be able to partici*pate in the political union of* Europe.

Bonn will take over coal stocks

By Nicholas Colchester

BONN, Nov. 27.

THE WEST German Cabinet to-day decided on two measures to help the coal industry cope with its mounting stocks of unwanted coal. The Government is to take over 10m. tons of coal as a "national coal reserve" on the first day of next year—a year earlier than was *previously intended*. It will also limit tariff-free imports of coal to 4.7m. tons in 1976 where originally a ceiling of 5.5m. tons had been envisaged.

Coal usage has suffered in a year of mild weather and economic recession. Germany's total primary energy consumption in 1975 will be 8 per cent. below that in 1973 and five per cent. below that in 1974. The amount of coal used in electricity generating stations will *have dropped this year by 27* per cent. to 22m. tons. It has been ousted as a fuel by natural gas which now accounts for 20 per cent. of all electricity production against 12 per cent. two years ago.

The Government now estimates that 1980 figures for German energy consumption projected in the Government's current "energy plan" will not become reality till about 1983. The plan will therefore *have to be revised when Germany* gets out of this recession.

It is partly because of this energy plan that German coal output has been maintained this year at above 90m. tons, of which some 18m. tons will have ended up in bunkers. Ten million tons will now be earmarked by the Government as reserves and the coal companies will receive gradually mounting compensation for the *costs of holding this stock until*, by the end of 1976, the Government will be paying the full cost. Meanwhile coal imports will be held back next *year to this year's total of 4.7m.* tons.

On December 10 the Cabinet will discuss the matter again, and will then try to work out new measures to see that coal is used in greater quantities in the generation of electricity.

Iceland cod protest strike fails

BY JON H. MAGNUSSON

REYJAVIK, Nov. 27.

THE MASS rally and one-day unofficial strike which the Anti-agreement Committee called for here to-day, turned out to be a flop. Only about 4-5,000 people turned up for the rally at Reykjavik's main square, according to the police.

Very few people took the day off from work to protest agreement with foreign governments in the fishing dispute.

The committee which planned *the rally* is backed by all major unions, opposition political parties and other interested groups. After a one-hour outdoor meeting with a few red-hot speeches which did not keep the audience warm in the biting cold winter weather, the people left the square for their home or work.

Only about 1-200 young people and a few workers walked to the British Embassy in Reykjavik to protest the presence of the Royal Navy inside the 200-mile limit. A few carried protest signs. One showed a silhouette of a frigate and said: "Go back to Mother Queen." A large number of police broke up the gathering after just one hour. A few eggs were thrown and some youths were a rested, but released shortly afterwards.

It is now accepted that the Icelandic Parliament will ratify the fishing agreement with the West German Government to-morrow. The agreement will allow West German trawlers to catch 60,000 tons annually, but it excludes all factory and freezing trawlers from the 200-mile fishing limit.

The vote in Parliament is now expected to be 42 votes to 18 for ratification, meaning that all the coalition Government MPs are supporting the agreement. There was a very tough and temperamental debate in Parliament *yesterday which extended long* into the night. The debate continues to-day and the night session will be broadcast nationwide to-night.

It is now expected here that after ratification of the West German treaty agreements with Belgium, Norway and the Faroe Islands will follow very shortly. An *Icelandic MP* says that the agreements would permit fishermen of the four countries concerned to catch 80,000 to 90,000 tons annually inside the Icelandic limit.

The political mood in Iceland to-day is rather anti-British, indicating that there is not going to be any sort of agreement with the Government in London. The main reason for the bad mood is the British decision to send the Royal Navy once again to Iceland. People here look upon the presence of the three frigates as "armed aggression" against a small Nato ally and a trading partner.

The opposition People's Alliance Party, which is Communist-dominated, is demanding that Iceland break-off relations with London. Many labour groups and labour leaders are also calling for a break in diplomatic relations, and no trade with Britain. The radical Left is once again demanding that Iceland quit the Atlantic alliance and close the *American Nato base at* Keflavik.

It is almost certain that Iceland will not accept any agreement with Britain in the fishing dispute for an annual catch of more than 65,000 tons, but at the moment there is no mood for agreement at all.

James McDonald writes: No incidents between Icelandic gunboats and British trawlers within the unilateral 200-mile limit were reported yesterday, according to *the Ministry of Agriculture,* Fisheries and Food, and the British Trawlers Federation.

A considerable rise in the quayside price of cod, however, has occurred. Last week the price for a ten-stone "kit" was about £19, while yesterday the quayside price for best quality *landed cod was over £30 a kit.*

A twin-engine turbo-prop Fokker Friendship reconnaissance plane of the Icelandic Coastguard spotted an unidentified submarine off the NE coast of Iceland yesterday afternoon.

When the distance between the plane and the submarine was approximately one mile, the submarine disappeared below the surface.

The American naval base at Keflavik was immediately informed of the submarine. In the past, most all unidentified subs in and around Icelandic waters have been thought to be from the Soviet North Atlantic fleet.

● A Ministry of Defence spokesman said **in London** last night that, while it was not customary to make public the movements of RN vessels, the Ministry had given full details of all British warships involved in the Icelandic dispute. Since no submarine was listed among these, the conclusion should be drawn that the submarine sighted was not British, the spokesman said.

Lome group assembly plan

LUXEMBOURG, Nov. 27.

Parliamentarians representing 55 countries included in the Common Market's Lomé trade and aid convention with developing countries to-day cleared the way for setting up a joint Parliamentary Assembly.

After a three-day debate here they approved a resolution calling for a quick start to preparations for the assembly, which should come into being as soon as the Lomé Convention, signed *last February, is ratified by all* member states.

Officials said 31 of the 46 developing countries had ratified the Convention while only two of the nine EEC members had done so.

Most countries are expected to ratify the texts by the end of the year but Italy, which has just started the necessary procedures may take more time.

Reuter.

French start actions on moves to unionise army

BY RUPERT CORNWELL

OPENLY BLAMING the opposition Socialist party, the French Government to-day started two separate legal actions against the agitators it claims are seeking to undermine Army discipline and destroy the morale of conscripts.

It is expected that the State Security Court, in a move reminiscent of the bitter Algerian independence struggle of 15 years ago will conduct the proceedings, which follow incidents at the garrison town of Besançon and Cazaux near *Bordeaux. Possible sentences* range up to 10 years.

To-day's decision comes after growing discontent among the 300,000 young men called up for military service, both at poor living conditions and obsolete equipment. In the last few months activists have tried to set up conscript "unions" to defend their interests, even though these have been carefully shunned by the orthodox labour movement.

In Parliament yesterday the Prime Minister, M. Jacques Chirac, hit savagely at what the termed "a campaign of subversion," which would undermine authority and imperil France's national defence.

His remarks reflect the authority's genuine concern at *the restlessness* within military ranks. However, M. Chirac seized the opportunity to take a swipe at the Socialists, whose growing popularity is in a different way perhaps equally *worrying for the Government.*

His accusations that the *Socialists were backing the* establishment of soldiers' "committees" drew a quick reply. The Mayor of Marseilles, M. Gaston Deferre, commented *that the attack was motivated by* the fear of the Right-wing at seeing its position eroded.

Kekkonen calls for coalition

By Lance Keyworth

HELSINKI, Nov. 27.

PRESIDENT Urho Kekkonen this evening told the five parties that had recently failed to agree on the formation of a majority willingness to take office by the evening of Monday, December 1.

His move was all the more surprising because it came only two days after he had asked the present caretaker Cabinet to carry on indefinitely. The five parties are the non-socialist Centre, Swedish and Liberal parties, and the Social Democrats and Communists on the Left. Thus, the President wants a return to the "popular front" government of a few years ago.

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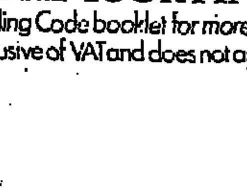

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Capital spending drops by further 6 per cent

BY MICHAEL BLANDEN

A FURTHER 6 per cent. fall in manufacturing industry's capital spending and a record drop in stock levels in the third quarter confirm the depth of the economic recession in the U.K.

Capital spending by manufacturing industry in the third quarter is provisionally estimated at £431m. (at 1970 prices, seasonally adjusted). This is a drop of 6 per cent. from the previous quarter, following successive falls of 8 per cent. and 7 per cent. from the peak figures recorded in the last quarter of 1974.

Manufacturers' stocks are estimated to have fallen by £236m. on the same basis, the largest fall recorded in a single quarter since the figures were first compiled and comparing with a drop of £112m. in the previous period.

It is still felt that the U.K. economy may be approaching its bottom, with the prospect of some recovery starting next year. But it is recognised that industry's investment in new equipment and stocks will take some time to respond to any renewal of confidence, and meanwhile the figures show that the setback has been deeper than was expected earlier this year.

The signs are that the level of capital investment this year may be even lower than indicated by the most recent Department of Industry survey. And the continued de-stocking in industry, after the heavy run-down in the heavy run-down in the second quarter, provides further background to the low level of activity and the weak demand for bank credit.

In the first three quarters of the year taken together total investment in manufacturing industry was 10 per cent. lower than in the same period of 1974. The greatest decline was in spending on vehicles, down 25 per cent., with new building work and plant and machinery down by 8 and 9 per cent. respectively.

The Department maintains, however, that the three quarters comparison may not reflect the full extent of the decline likely to be recorded for the whole year, because in 1974 spending was on a rising trend while this year it has been dropping steeply.

The last inquiry into industry's investment intentions, published early last month, suggested that there could be a drop of some 11½ per cent. this year—a little more encouraging than the previous estimate of 15 per cent.—but it is felt that the fall may turn out rather greater than these figures indicated.

Manufacturers' stocks fell in all three categories, materials and fuel and work in progress both showing declines of more than £100m. with a small fall in stocks of finished goods. The stocks to output ratio dropped from an historically high level of 109.6 at the end of June to 107.8 at the end of September.

There was also a continued fall in capital spending in the distributive and service industries. But retailers reversed the previous decline in their stockholding with a rise of £60m. in the quarter.

Commission agrees to Mobil oil price increase

BY RAY DAFTER

MOBIL has been given Price Commission sanction to increase the price of its oil products by an average 5p to 6p per gallon, but it is doubtful whether the full impact of this rise will be passed on to customers.

It is felt within the industry that this latest round of price applications could lead to a confused, if not chaotic pricing structure for oil-based products.

Mobil, the first to apply for an increase, would not give details of the Price Commission sanction. It commented that the implications of the increase on its product range was being examined.

However, it is thought that Mobil has received an increase of a shade over 5½p per gallon. This is likely to be slightly above the average level to be announced by other oil companies over the next week or so.

Mobil, with 6 to 7 per cent. of the U.K. petrol market, will await the pricing plans of major companies like Shell, BP and Esso before making a final decision on how much extra it will charge for various products.

The result of Esso's price application should be known in the next 24 hours, while the plans of Shell and BP will probably be announced early next week. It is likely that the industry will start implementing the new pricing structures within the next fortnight.

In view of the depressed state of the various markets—particularly petrol with its current price-cutting war—it is doubtful whether all the companies will be able to implement the full range of price increases. Market forces are likely to limit the new level of prices, particularly as each company seems to have a different view on the way it wants to see this latest price adjustment weighted.

In the end, the new prices are likely to be geared to those charged by the companies imposing the most modest increase. This means that some companies may well return to the Price Commission in the New Year with another application in order to recoup costs which cannot be met in this round of increases.

The new package of increases which will emerge over the next week will probably show that motorists will be let off more lightly than in the recent past. Petrol may go up by 3p or 4p a gallon at pump prices, with heating fuel and diesel oil carrying a bigger proportion of the increase.

House building rate continues to rise in both sectors

BY MICHAEL CASSELL

THE BRIGHTER picture for house building continued in October with output showing another increase in both private and public sectors.

There are no signs of a major burst in construction activity ahead, but the latest figures from the Department of the Environment continue to point to a significant improvement over the early part of this year and last year, when output was down to about the lowest levels for 20 years.

With house sales now apparently very buoyant again, a continuing rise in new housing output is seen as essential if the market is not to run into difficulties next year, with plentiful finance chasing a limited supply of homes.

A rapid increase in house prices is always a possibility, although the societies are now confident that they have a monitoring system to warn them in time to act, either by cutting mortgages or reducing the inflow of funds by interest rate cuts.

Yesterday's provisional figures from the Department estimated that total housing starts in October rose from 30,000 the previous month to 32,000 compared with only 22,000 a year earlier.

In the local authority sector, starts rose from 16,600 in September to 18,000—one of the highest monthly totals recorded in recent years.

Private housing starts also edged slightly ahead from 13,400 to 14,000 but the total remained below the mid-year level.

The number of homes made ready for occupation in October was estimated at 29,000 compared to 28,300 in September and 25,000 a year earlier.

Public sector completions rose to an encouraging 16,000 against 15,400 in the preceeding month, while private completions stood at 13,000, a marginal increase on September.

On a quarterly basis, the DoE calculates that total housing starts in the August-October period rose by 7 per cent. over the previous three months and were 37 per cent. up on the same period last year.

Talks soon on bank regulations

BY MICHAEL BLANDEN

TALKS ARE expected soon at a high level on the details of new regulations to be applied to the big banks under the Bank of England's extended supervisory system.

The clearing banks will be producing their annual results early next year and for the first time, following the agreement announced recently, will be discussing their balance-sheets and prudential ratios in detail with the Bank.

A number of significant points remain to be cleared up in dealing with the banks' capital and liquidity ratios and particularly in relation to the value of their premises.

It was made clear in the guidelines set out in the last Bank of England Bulletin that special treatment would be given to the clearing banks' premises.

One of the most important ratios to be examined is the proportion of "free" capital to a bank's deposits, normally excluding any funds invested in a bank's own properties.

It was recognised that the clearing banks were a special case, because their extensive branch networks were more easily realisable than investments of other banks in premises.

The exact amount of the value of clearing bank premises which can be included in free capital is still to be discussed with each individual bank. It is likely to be one of the most significant points to be determined.

Working out the details of the appropriate capital and liquidity ratios for each bank is expected to be undertaken on a gradual basis, but the banks are looking for some guidance on the valuation of their premises when they present their end-year figures.

BBC may request licence increase

BY ARTHUR SANDLES

A WARNING that the BBC may be asking for a higher licence fee, with the option of a much reduced service, much earlier than predicted comes to-day in the corporation's handbook. Inflation, and the collapse of the colour television market has forced a review of the situation.

While the BBC is not specific in its requests, the handbook makes a strong case for a licence review. It says inflationary pressures "on a scale never before encountered during 53 years of broadcasting" turned a surplus of £750,000 in March, 1974, into a deficit of £19m. by March of this year.

The handbook also contains the report and accounts of the corporation. It acknowledges that the Home Secretary had said at the last licence increase that the BBC must recognise the need for some economies. Cuts were in fact made. But now the corporation is obviously worried.

"The BBC's strategic aim," on certain assumptions about the control of inflation, is to arrive at March 31, 1976, with its deficit reduced from the present level to about £10m. It aims to hold the deficit at that level, which coincides with the maximum permissible temporary borrowing under the charter, for a further year thereafter.

"But the 'external circumstances' mentioned by the Home Secretary are the current unpredictable rates of increase in costs and future variations in the rate of increase in colour television licences.

"Whether these rates will exceed or fall short of the BBC's estimates no one can tell. The date of the next application for licence fee increase being dependent on two unpredictable variable must be uncertain."

During the year to March 1975, the report says the number of colour television licences increased from 5.558m. to 7.580m., much in line with the BBC's predictions. It was thought that this year there would be a smaller rise.

"Now that the difference between monochrome and colour licence fee is £10 the BBC loses £1m. for every 100,000 by which the increase in colour licences fall short of the estimate. The combined effects of the general recession and of the substantial increase on the rate of VAT, on purchases and rental agreements may be serious."

The report says that the recent reduction in services represented "a historic reversal for the BBC after years of steady expansion."

The purchase of the American Kojak series proved to be the BBC's most outstanding purchase of the year. "In any one year many American programmes are turned down by the BBC because they are too violent, stereotyped, hackneyed or sentimental. The best, like Kojak or Alias Smith and Jones are taken."

BBC Handbook, 1976 Incorporating the Annual Reports and Accounts; BBC; £1.50.

Post Office takes a brighter view

FINANCIAL TIMES REPORTER

The Post Office is cautiously optimistic that its end-year result in March will be better than expected in spite of this year's big increases in tariffs.

A profit of more than £80m. is expected on the telecommunications side. The loss on the postal service may be less than the £70m. envisaged at the time of the last price rises, and the Post Office may not have to take up all of the subsidy set aside.

Postal traffic is about 12 per cent. down since the rates rose—much as expected. No clear picture is yet available of the effect on consumers of the big increases in telephone charges, as bills have only just started to come through.

Much depends on the Christmas traffic. A decision by the public to cut hard the number of cards it sends, could have a serious impact on the overall figures.

After a record year of tariff increases, the Post Office is not contemplating any further rises for some time ahead.

Meanwhile, it is cutting labour costs to match the traffic fall-off. The aim is to save £60m. split about equally between the two sides of the business—and union co-operation has been secured for a cut in overtime working and for natural wastage.

The Post Office has a high labour turnover—about 50,000 employees of its 400,000 total each year—which makes this process easier than in many other industries.

Mr. Tom Jackson, general secretary of the 200,000-member Union of Post Office Workers, said last night that there had been no redundancies so far—though they might come in the longer term. For the moment, the union was co-operating in the economy drive.

The union has submitted a £6 pay claim in line with the Government counter-inflation policy. It will have to offset against the limit threshold money paid since August as a result of its last annual deal before the policy was introduced.

This could amount to about £2 a week for the average postman by the time the January 1 deal is implemented.

IN BRIEF

Air charter change

The Airbrokers' Association, which has represented commercial aviation interests on the Baltic Exchange for over 25 years, has been reconstituted as the Baltic Air Charter Association. It aims to become the U.K.'s principal representative body of the air charter industry and is extending its membership into every sector of air passenger and freight activity.

Fiji tax scheme

A New Double Taxation Convention between the U.K. and Fiji has been signed in Suva. It is to be published as a Schedule to a draft Order in Council.

Pipeline finished

Shell's 78 mile oil pipeline route from Anglesey to Stanlow refinery in Cheshire has been completed, and the £50m. single buoy Anglesey marine terminal is due to open next summer.

Making ends meet

The stern section of Kyra Lynn, a 112,000-tonne oil tanker being built in halves by Swan Hunter, is to be launched without ceremony from Walker shipyards on the Tyne on Monday. It is the third of eight tankers being built for the Nikreis Maritime Company of the Grand Cayman Islands for long term charter to the Soviet Union. The fore-end has been built at Hebburn.

NI levy rebels

The National Federation of Self Employed was "extremely likely" to instruct its 45,000 members not to pay a new National Insurance levy, the federation said. It wants the levy to be tax deductible as with employers' contributions.

Flightplan

Extension of the 4,500-mile range of Concorde by refuelling the aircraft in flight is being studied by the British Aircraft Corporation. Flying non-stop from London to Australia would take about ten hours.

Sir Ronald Leach

Sir Ronald Leach is to retire as chairman of the Accounting Standards Steering Committee next year or by June, 1977.

J. D. White, a subsidiary of the British Electric Traction Group, has been ordered by the Price Commission to cut its charges for crane and plant hire by an average of 8 per cent.

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HOME NEWS

Severn tidal power plan 'uneconomic'

BY DAVID FISHLOCK, SCIENCE EDITOR

A FRESH APPRAISAL of the economics of a tidal power scheme on the river Severn, carried out by the Central Electricity Generating Board, has confirmed earlier conclusions that the electricity generated, although ostensibly free, in fact would cost much more than nuclear electricity.

The U.K. would not benefit overall in conservation of energy resources, because of the immense investment of energy needed to build a Severn barrage.

The conclusions were disclosed in a memorandum to the Parliamentary Select Committee on Science and Technology, when it met in Bristol yesterday to take evidence on tidal power from the Severn.

They underscore conclusions reached by the Energy Technology Support Unit, the "think tank" set up at Harwell by the Energy Department.

The unit, which reported for the first time this week on its studies of natural energy resources for the U.K., has concluded that although the Severn would be an almost ideal site for a tidal power project, such a scheme could be very protracted and expensive. Even if fully successful, it would provide only about 2 per cent. of the nation's energy needs by the year 2000.

Novel scheme

Dr. Tom Shaw, of Bristol University's Department of Civil Engineering, who has been studying the possibilities of a Severn barrage for 10 years, described to the MPs a twin-basin tidal power scheme requiring a dam spanning the estuary from Weston-super-Mare to Cardiff. He estimated that it would cost £1.5bn. at present prices.

By harnessing the Severn, the Government would insure against any shortcomings in the nuclear power programme in the late 1980s, Dr. Shaw said.

The scheme could be producing electricity for the expenditure of only £500m., but addition of a pumped storage scheme would then permit electricity to be delivered continuously.

But the CEGB's memorandum rejects Dr. Shaw's implication that it would be a risk-free technology. "The engineering uncertainties associated with such a novel scheme, which could be only partly removed by investigation prior to construction, make it impossible to estimate the construction cost of a Severn tidal barrage reliably," it says.

Even on the basis of what it *calls an optimistic estimate of* the likely capital cost, however, it finds that when assessed solely as a means of generating electricity a Severn barrage offers "no prospect of producing electricity more cheaply than other means."

To be competitive with the cost of nuclear electricity, the capital cost of the Severn schemes proposed so far—including one of its own, drawn up at its Marchwood Engineering Laboratories—would need to be about half of what is being estimated at present, or the capital cost of nuclear stations would need to double.

Several members of the Select Committee will tour the Severn Estuary in a barge to-day.

Other Home News on Page 29

P.O. speeds coin counting

ADVANCED coin-counting machines—which cut coin handling costs by as much as 50 per cent.—are being introduced by the Post Office. Marketed by Amisel Industries (U.K.), they are be*lieved to be the most advanced* of their kind in the country and went on trial earlier this year.

Loose coins are fed into hoppers at the side of the new machines which produce counted, paper-wrapped, packs of coins (rouleaus)—copper in 25p, 50p and £1 rolls, silver in £2 lots.

Trevor Humphries

Power-saving advice for councils

THE DEPARTMENT of Energy yesterday joined the anti-car lobby. It told local authorities *they should use planning powers* to cut the use of private vehicles and conserve energy by making public transport more competitive.

A circular sent to councils points out that a 10 per cent. saving in total energy consumption could ease Britain's balance of payments problem by £750m. a year. Local authorities account *for about 4 per cent. of national* consumption, with 8 per cent. more in council housing.

The circular deals mainly with cheap measures which can be implemented in the short to medium term. It suggests that:

Design teams should consider the "energy use" of all new buildings from the earliest planning stage.

Council *house tenants should* be told what they can do themselves to save energy.

Empty running of local authority vehicles should be kept to a minimum.

Planning powers should be used to reduce the use of private vehicles and make public transport more attractive.

Floodlighting and other outside *lighting could be restricted* by limiting the hours and days of use.

Designer receives FT architecture award

BY QUENTIN GUIRDHAM

MR. KNUD MUNK, designer *of the Carlsberg Brewery,* Northampton, yesterday received the Financial Times Industrial Architecture Award.

His achievement, showing "a most fertile and flexible imagination," in the assessors' words, is unusual because of his relative youth—he is 39—and because this was the first big project for which he was *solely responsible.*

Based in Copenhagen, he is the first foreigner to have won the award, the ninth in the series.

Making the presentation, Baroness Birk, Parliamentary Under-Secretary of State, Department of the Environment, said that she saw her special Government responsibility for *conservation* "*not only as* defending the architectural legacy of the past, but encouraging buildings very much of to-day which will become the conservation pieces of to*morrow.*"

Industrial architecture should "not only contribute to our economic well-being but also make an imaginative addition to our ambience." If it was possible to enjoy work anywhere, it would surely be possible at the Carlsberg plant.

The winning design, (for which Ove Arup, another firm of Danish origin, were structural engineers) five others which were commended and three specially mentioned, came from an entry of 76, eight *more than last year. Assessors* were Professor Peter Shepheard, Professor J. H. Napper and Sir Colin Anderson.

The photograph shows Lord *Gibson, chairman of* the Financial Times (left), Lady Birt and Mr. Munk at yesterday's presentation at Fishmongers' Hall, London.

Engineers in clash over M5 report

BY JOHN HUNT

AN INDEPENDENT report commissioned by the Department of the Environment into an allegation that it had overcharged for the construction of the Gloucester-Cheltenham section of the M5 brought a clash last night between the Government and Freeman Fox and Partners, consulting engineers.

The report clears Freeman Fox of allegations by Mr. Neil James, its former measurement engineer, that it had deliberately enhanced the quantities involved by including an extra 10 per cent. for a "hidden contingency."

The Department finds, however, that there were "short-comings" which resulted in an overbilling of £41,662 on the £10.5m. contract. It is tightening financial controls over future motorway construction.

The Department also wants to bring to the attention of Freeman Fox "the gravity with which the short-comings" are viewed. It is reviewing its fees "*in the light of its performance* as engineer to the contract."

It is also seeking immediate compensation from Freeman Fox for the cost of the independent *investigation by George Corderoy* and Co., chartered surveyors, and for interest on payments which were made on monthly valuations on the contract before they were due.

There was an immediate angry reaction by Freeman Fox, which indicated that it had no intention of paying compensation.

It said: "We administered this contract well, authorised a fair settlement with the contractor and are proud of our work on this section of the motorway.

"We see no justification whatever that we should be asked to pay for the cost of the inquiry or any interest on monthly valuations. This is reinforced by the fact that the allegations against us which gave rise to the inquiry have been found by the Department of the Environment to be unjustified."

Payment on construction contracts was the result of hard negotiations. If decisions were to be reversed retrospectively, it would challenge the entire structure of accepted negotiation procedures.

Doctor John Gilbert, Minister of Transport, said in a Parliamentary answer last night that the investigation had disclosed no evidence of corruption or fraudulent practices.

It had found, however, that measured items in the bill of quantities were enhanced by an amount which varied from section to section of the motorway, but which averaged 4.33 per cent.

Interim payments made during the course of the contract included certain amounts in *advance of their being properly* due and there were some arithmetical and clerical errors.

There were short-comings in the contract procedures and financial control followed by Freeman Fox, but the procedures it adopted for the preparation and agreement of engineering matters and for reporting the physical progress of the contract *were adequate and properly com*plied with.

Coal output rises 3%—and consumption keeps falling

BY RAY DAFTER

OUTPUT OF coal in October was about 3 per cent. higher than a year ago, according to a Government report on energy trends. As a result there has been an appreciable *build-up of stocks* in readiness for the winter.

While there was a substantial improvement in productivity compared with the recent low levels, output per *man-shift* was still lower than last year. Stocks of coal rose by over 1.5m. tons, nearly two-thirds of the stock-piling being at collieries, where *undistributed* stocks are now higher than for nearly two years.

The stock position has also been helped by falling inland consumption—nearly 10 per cent. lower than in October last year, *continuing the* trend of the previous four months. The industrial and domestic markets have been showing the sharpest falls.

In September overall British energy *consumption was* 8.5 per cent. lower than in the same month last year. Electricity supplies was down by over 7.5 per cent.

Total inland deliveries of petroleum products dropped by nearly 11.5 per cent. as against the same month in 1974, while deliveries of motor spirit and *diesel oil* were up by 1 and 4 per cent. respectively, the first increases of their kind since April.

Gas sent out during September was just over 2 per cent. less than in September, 1974.

● The National Gas Consumers' Council yesterday warned that misery could be caused by the latest round of gas prices. It said many old people might die for lack of heat, and many families would go without fire and warmth this winter.

The council has appealed to the National Council of Social Service to formulate a policy to present to British Gas. It said ways were needed to identify cases of genuine hardship quickly. For typical households in the North Thames area gas prices would be up to 48 per cent. higher this winter than 1974-75.

COAL STOCKS IN BRITAIN
(At end of periods, in thousand tons)

	Distributed			Undistributed		
	Total	Total distributed stocks	Power stations	Total undistributed stocks	Sites and central stocking grounds	Collieries
1969	31,416	12,935	11,018	18,481	3,159	15,322
1970	18,729	11,627	9,575	7,102	1,836	5,266
1971	28,211	17,982	15,712	10,229	3,256	6,973
1972	29,979	19,045	16,791	10,934	3,376	7,568
1973	27,445	16,766	14,537	10,679	3,150	7,529
1974	21,462	15,577	13,414	5,885	1,939	3,946
1974 Oct.	21,628	15,420	13,578	6,208	2,188	4,020
1975 Sept. p	28,358	20,173	18,058	8,185	1,643	6,542
1975 Oct. p	29,990	20,749	18,359	9,241	1,686	7,555
Absolute change	+1,632	+576	+301	+1,056	+43	+1,013

Source: Dept. of Energy

Call for planning 'inducements'

BY ADRIAN HAMILTON

PLANNING AGREEMENTS have a crucial role in the developing relationship between industry and Government, but should be made more attractive to companies, according to a study published yesterday by the Labour Economic Finance and Taxation Association.

The two authors, Mr. John A. Bromborough and Derek Smyth, both from industrial groups, urge industry to end its opposition to planning agreements as a "Canute-like" fight against the inevitable.

Governments are bound to intervene in industrial issues, they say. Planning agreements could be looked on as a "constructive and reasonably concise method of bringing together Government and industrial management to establish, in their own best interests, joint ground rules *for future development in the* fuller knowledge of what each other is planning to do."

But, in examining how planning agreements should be pursued, they suggest that the Government might have to offer more inducements to companies to come forward.

The Government should think of long-term guarantees on state purchasing contracts *as well as* concessions on the price code system, hire purchase regulations, import controls and taxation policy in addition to financial assistance under the Industry Act.

In stressing the need to meet industry's fears about how information provided will be used, *the authors propose that* agreements should be kept separate from the National Enterprise Board and Neddy.

They also point to a number of areas—such as education of trade unionists and civil servants and an improvement in company forward planning—where effort would be needed to make the initiatives work.

"Planning Agreements in Practice," by John Bromborough and Derek Smyth, available from LEFTA, 51, Dunoon Road, London SE23 3TD. 70p.

Anti-pollution costs worry foundries

By Lorne Barling

THE LEVEL of investment which the U.K. ironfounding industry must commit to anti-pollution measures over the next five years will create a drain on resources, it was suggested yesterday.

The industry's investment programme over the period would amount to £300m., of which one-fifth had to be devoted to external pollution control under the Clean Air Act, it was said.

Mr. Derek Farrant, director of the Council of Ironfoundries Associations, said: "We do not question that it is in the public interest, although it is right to point out that our emissions fall into the nuisance class rather than any dangerous category.

"We do stress, both to our customers and to the local authorities, that our first priority should be our productive equipment," he said at Coventry.

Investment in pollution control was doubly costly in the sense that when installed it earned nothing and indeed represented an additional drain on resources for its maintenance and replacement.

Although the Government's £25m in assistance was important and valuable, it covered about 75 steelfounders as well as 750 ironfounders. There was considerable disappointment at the *size of the aid.*

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HOME CONTRACTS

Rush and Tompkins £2.5m. supermarket work

RUSH AND TOMPKINS has been awarded contracts worth £2.5m. under its serial contracting arrangements with the John Lewis *Partnership. The work involves* the erection of two new stores at Bracknell (Berks.) and Bromley (Kent) and extensions to a store at Fleet (Hants.), all within the Waitrose supermarket chain.

★

WILLIAM TAWSE, part of the Aberdeen Construction Group, has been awarded a £1m. contract by the U.K. Atomic Energy Authority for the construction of specially-designed buildings to store radioactive waste at its Dounreay station, Caithness.

★

DOWTY FUEL SYSTEMS has received a £1m. order to supply fuel control systems for the Rolls-Royce Pegasus vectored thrust engine in the Hawker Siddeley Sea Harrier.

★

HOLST WALES have received *from Babcock-Moxey,* Gloucester, a contract worth £1m. for the design and construction in reinforced concrete of 20 coal blending bunkers in one integral complex. This work is to be carried *out at the British Steel Corporation* complex at Port Talbot.

★

MUIR-HILL, Gloucester, a member of Babcock and Wilcox, has won an order worth over £1m. for 50 mobile loading shovels for the British Army.

★

UNITED KINGDOM Construction and Engineering Co., part of the WGI Group, has won a contract for the engineering, design and specification work involved in a new £1m. chromic acid plant to be built on Teesside by British Chrome and Chemicals.

MARCONI COMMUNICATION SYSTEMS, a GEC-Marconi company, has received a further order from the Ministry of Defence *(Navy) for the supply of radio* equipment to the Crimond naval station. This follows a recent £400,000 sale of 10 Marconi type H1140 transmitters for use at Crimond. The new order, which has been funded by the North Atlantic Treaty Organisation, is worth over £200,000. It calls for the supply of a range of low frequency drive and amplifier equipment to the station.

★

MARCONI SPACE AND DEFENCE SYSTEMS, a GEC-Marconi Electronics company, is to install a real-time on-line computer system at the new Suffolk police head*quarters at Martlesham at the end* of next year under a contract worth more than £100,000.

★

TAYLOR INSTRUMENT COMPANIES *have been awarded fur*ther orders from the British Steel Corporation worth £340,000 for instruments and equipment for three basic oxygen converters at BSC's Ravenscraig works, Mother*well.*

★

BURROUGHS has won an order worth £1.2m. from Imperial Chemical Industries for a large-*scale dual-processor computer* system which will be used by ICI's pharmaceutical division.

★

ARC CONCRETE has won a £½m. *pipes order for the new Beckton* surface water pumping station in east London. The 1,248 metres of flexible jointed pipes are being produced by the company's St. Ives works in Cambridgeshire.

NOTICE
to the Stockholders of
INTERNATIONAL HOLDINGS CORPORATION
and
THE CHEAPSIDE DOLLAR FUND LIMITED

Separate meetings of the Stockholders of International Holdings Corporation and The Cheapside Dollar Fund Limited, notices of which are set out below, will be held on December 19, 1975 at the offices of Commercial Trust Company of New Jersey, 15 Exchange Place, Jersey City, New Jersey, U.S.A., to consider a proposal to merge International Holdings into The Cheapside Dollar Fund Limited, an open end mutual fund located in New York City and managed by Schroders Incorporated.

Only Stockholders listed on the share register on October 20, 1975 may exercise votes. Where Stockholders hold shares as nominees for others, votes may not be exercised unless specific instructions are received from the beneficial owners. In order that the merger may become effective, holders of a majority of the shares must vote in favour of the merger. Accordingly all beneficial owners of International Holdings and Cheapside shares (regardless of the number of shares owned) are requested by the Directors of International Holdings and Cheapside to give the necessary instructions to the registered holders.

A circular letter containing information concerning the two companies and the proposed merger together with Forms of Proxy may be obtained at the offices of J. Henry Schroder Wagg & Co. Limited, 120 Cheapside, London EC2V 6DS England (telephone 01-588 4000) who will assist the respective owners of shares in International Holdings and Cheapside in giving instructions to those registered holders who may vote the shares.

Dated: November 21, 1975

INTERNATIONAL HOLDINGS CORPORATION,
ONE STATE STREET, NEW YORK, N.Y., 10004, U.S.A.
THE CHEAPSIDE DOLLAR FUND LIMITED,
ONE STATE STREET, NEW YORK, N.Y. 10004, U.S.A.

INTERNATIONAL HOLDINGS CORPORATION
One State Street
New York, New York 10004
Telephone: (212) 269-6500

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS TO BE HELD DECEMBER 19, 1975

To the Stockholders of International Holdings Corporation:

Notice is hereby given that the Annual Meeting of Stockholders of International Holdings Corporation, a Maryland corporation ("Holdings"), will be held at 10.30 a.m., New York City time, on December 19, 1975, at the offices of Commercial Trust Company of New Jersey, 15 Exchange Place, Jersey City, New Jersey, for the following purposes:

1. To consider and vote on a proposed merger (the "Merger") of Holdings into The Cheapside Dollar Fund Limited ("Cheapside"), which will be the continuing corporation, the terms and conditions of which are described in the Joint Proxy Statement and set forth in full in the Agreement and Articles of Merger between Cheapside and Holdings, a copy of which is annexed thereto. As more fully described in the Joint Proxy Statement, upon consummation of the Merger a new Investment Advisory Contract between Cheapside and its investment adviser Schroders Incorporated will become effective, and
2. To transact such other business as may properly come before the meeting or any adjournments thereof.

The Board of Directors has fixed the close of business on October 20, 1975 as the record date for determination of the Stockholders entitled to notice of, and to vote at, the meeting. The stock transfer books will not be closed.

By Order of the Board of Directors,
Robert K. Parsons, Secretary
November 21, 1975

Whether or not they expect to be present at the meeting Stockholders are requested to date, sign and return the proxy card. Proxies may be revoked at any time prior to their exercise by notification in writing (or in person if the Stockholder attends the meeting) to the Secretary of Holdings. Attendance at the meeting will not of itself revoke the proxy.

THE CHEAPSIDE DOLLAR FUND LIMITED
One State Street
New York, New York 10004
Telephone: (212) 269-6500

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS TO BE HELD DECEMBER 19, 1975

To the Stockholders of The Cheapside Dollar Fund Limited:

Notice is hereby given that a Special Meeting of Stockholders of The Cheapside Dollar Fund Limited, a Maryland Corporation ("Cheapside"), will be held at 10.00 a.m., New York City time, on December 19, 1975, at the offices of Commercial Trust Company of New Jersey, 15 Exchange Place, Jersey City, New Jersey, for the following purposes:

1. To consider and vote on a proposed merger (the "Merger") of International Holdings Corporation ("Holdings") into Cheapside, which will be the continuing corporation, the terms and conditions of which are described in the Joint Proxy Statement and set forth in full in the Agreement and Articles of Merger between Cheapside and Holdings, a copy of which is annexed thereto. Consummation of the Merger will, among other things, increase the membership of the Board of Directors of Cheapside to fifteen, including eight of the present ten directors of Cheapside and seven new directors, all of whom presently serve as directors of Holdings and amend the Articles of Incorporation of Cheapside to increase the number of shares of Common Stock which Cheapside is authorized to issue and to eliminate the provision authorizing the Board of Directors to establish a redemption fee for Cheapside Common Stock;
2. To consider and vote on a new Investment Advisory Contract with Schroders Incorporated for a term commencing on the effective date of the Merger and ending March 1, 1977, subject to annual renewal thereafter as provided therein;
3. To consider and vote on a change in Cheapside's subclassification under Section 5 of the Investment Company Act of 1940 from a non-diversified to a diversified investment company, such change to be operative upon the effective date of the Merger, and
4. To transact such other business as may properly come before the meeting or any adjournments thereof.

The Board of Directors has fixed the close of business on October 20, 1975 as the record date for determination of the Stockholders entitled to notice of, and to vote at, the meeting. The stock transfer books will not be closed.

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INTERNATIONAL STRATEGY
Are you interested in penetrating specific overseas markets, making an acquisition, setting up a plant, etc? If you need free consultancy help on how best to do it we may be able to provide it. For the fourth year Manchester Business School are again running their International Business Strategy Project.
If you are interested in further details please contact either:
Jim Leontiades or
Gordon Mandry or
Derek Channon
at
Manchester Business School
061-273 8228

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COMPETITION
FOR INTERNATIONAL HOTEL PROJECT
IN ABU DHABI

Further to our advertisement for the above mentioned competition, we hereby announce that previous dates have been extended to be as follows:

1. Registration limit and drawing of general conditions and criteria of competition up to December 31, 1975.
2. Submission of projects not later than 2.00 p.m. on April 1, 1976 at the bank premises in Abu Dhabi.

Competition is approved by the International Union of Architects.

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Midland Bank International

Map by George Philip and Son Ltd. © 1976.

We deliver.

The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● ENERGY

Effective heating from the winds

BRITISH helicopter technology has been incorporated in the design of rotor-bladed windmill plant for converting wind power directly into heat as a pollution-free source of low-cost energy. The National Research Development Corporation (NRDC) is providing financial support for the development of this project under a recent agreement with Wind Energy Supply Company (WESCO).

The contract between these organisations calls for the construction of a prototype wind power unit capable of producing heat without having to go through the energy wasting stage of generating electricity. An extensive programme of evaluation aimed at perfecting the basic wind power system and expanding its applications will then begin.

The manufacturing company was formed earlier this year as a joint venture between Servotec at Redhill Aerodrome, Surrey, and Control Technology, of Peacehaven, Sussex, in order to design and sell wind power systems.

Hotter greenhouses

WESCO's prototype unit will be geared to agricultural and horticultural applications, since its system is considered particularly suitable for heating greenhouses economically and efficiently. The cost of maintaining uniform temperatures in these glass structures has increased substantially with mounting fuel prices.

More than 150,000 kilowatt-hours per annum can be generated by the propeller-type windmill, given average U.K. wind speeds. A fully automatic two-bladed rotor unit, 18.3 metres (60 feet) in diameter, will be mounted at the mast-head of a sturdy metal tower approximately 13 metres high. The rotor is self-starting and so designed as to maintain a constant optimum speed even in gale-force winds, when most other wind units could not remain safely in operation.

The prototype unit forms part of a modular system for extracting energy from the wind in many different forms. Hydraulic power is generated at the mast-head and transmitted in hydraulic oil at high pressure to ground level, where it is converted into thermal energy for heating radiators by a simple friction process.

Alternatively the high-pressure oil could be used in a hydraulic motor to drive a heat pump.

Although each wind power system will be individually tailored to the customer's requirements, all equipment involved will be immediately available, as WESCO's flexible modular design is firmly based on existing technology in other fields. Aerodynamic principles incorporated in the rotor unit have evolved through 30 years of helicopter development, while standard industrial components are used in all other elements of the system.

It is planned to make a whole range of wind units with rotors down to 3.65 metres both for domestic and for industrial use. House heating will, of course, pose the question of storage. But there is no doubt that the system is one of the most promising to emerge over the past two years and has major advantages over equivalent U.S. equipment.

Further information from Mr. G. W. Poutin, Wind Energy Supply Company, Bolney Ave., Peacehaven, Sussex BN9 8HQ. (07914 5841.)

● MACHINE TOOLS

Validates NC data off-line

PERA (Production Engineering Research Association) has completed an investigation into the feasibility of validating the bulk of data contained on a numerical control tape away from the machine tool.

Most companies which have introduced numerically controlled machine tools have achieved impressive cost savings, with dramatic reductions in the floor-to-floor production times of many components.

In order to obtain these savings, however, large capital investment has had to be made in NC equipment, with the result that the hourly operating rate for an NC machine tool is substantially greater than for a conventional machine. It is essential that an NC machine actually produces components for the maximum number of available hours.

But maximum utilisation is often difficult to achieve in practice. NC machines are most frequently used in small-batch production where there is likely to be a high proportion of work requiring the preparation and checking of new control tapes.

The validation process—generally known as tape prove-out—can occupy a significant proportion of machine time. It is normally carried out on the tool by the operator under the guidance of an NC programmer. Usually a series of "dry" runs is made, sometimes with the machine head raised above the component and sometimes with a dummy component.

Corrections are dialled into the control system manually during the prove-out by means of switches on the machine control panel, and errors are noted for subsequent permanent correction on tape preparation equipment.

There are basically two types of data which require verification—technological and geometrical (dimensional).

Apart from checking that machining conditions are within the scope of the machine tool, validation of technological data can only be carried out by actually machining a work-piece. Using techniques developed by PERA, however, geometrical and other data can be checked remotely in two stages:

The first is to verify that items of data on the tape are in the correct order, that codes are acceptable and that there are no mispunched codes.

The second is to plot the dimensional data contained on the tape to ensure that the correct machining operations will take place at the proper locations on the component.

Equipment used at PERA for off-machine NC tape prove-out is a reconfiguration of the FAST-PLOT terminal unit originally developed for the PERA Automatic Detail Drawing System (PADDS). A console typewriter, mini-computer and digital plotter are essential, and a high speed reader and punch, which increase the operating speed of the system, are optional.

PERA it as Melton Mowbray 4133.

French way to make components

SIA, which claims to have the largest numerical control processing centre in Europe, is to offer the French program PROMO.

This is designed to appeal to the bulk NC users who require a simple, powerful system from which to produce tapes.

PROMO is an interactive program and the user can enter his part program commands via a low-cost terminal and make any corrections within a matter of seconds. When the program is complete the operator can then punch the machine control tape on the terminal thus enabling a rapid turnround of a part from drawing to control tape, all on the same premises.

If required, PROMO can also drive a small on-line plotter giving pictorial output.

Originally developed by ADEPA, the French national research institute for production engineering, it has been marketed on a bureau basis in Europe by SIA's parent company, CIS, for some months.

THORN AUTOMATION
Rugeley, Staffs, England
Industrial control systems

● INSTRUMENTS

Detector of defective bearings

WHEN A ROLLING bearing of a machine is damaged in service, there is a risk of a machine breakdown. The costs incurred as a result of the downtime etc. may be considerable. ASEA can offer as an accessory for electrical machines in the output range 300 kW and above a system for the continuous monitoring of the condition of rolling bearings. The system gives a warning of bearing damage in such good time that replacing of the bearing can be planned and carried out at a suitable moment without the risk of a breakdown.

The system is based on the measurement of the high-frequency shock pulses generated by a damaged bearing in a running machine. The equipment consists of a transducer and a bearing damage detector for each bearing and a common master unit. Pressure waves from the bearings are converted in the transducers into electrical signals which are transmitted to the detector. In the detector the incoming signals are compared with the logic criteria for an alarm. This means that the size of the shock pulses must exceed a preset level for an alarm to be given.

The master unit senses bearing damage as an increase in the detector current consumption and the corresponding alarm lamp lights up. At the same time, a relay contact closes, triggering a remote alarm, automatic stopping of the machine, etc.

This bearing monitoring system has been developed by SPM Instrument AB, Strängnäs, Sweden, and has the designation SPM System 32. ASEA delivers the equipment already mounted on the machine and ready for connection.

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● DATA PROCESSING

COM shows an upturn

COINCIDENT with the opening of a $½m. European training centre at Windsor, Datagraphix has also released some figures about the progress in Europe of computer output on microfilm (COM) and made some hints about the future.

Total world market for equipment and supplies is put by the company at $150m., of which $60m. represents supplies (film and other consumables). The North American growth rate overall is estimated to be 20 per cent. per annum in revenue terms with Europe, still to some extent in a "catching-up" mode, at 28 per cent.

There are now about 1,200 COM installations in the U.S., about double the number in Europe where most of the systems are in U.K., France, Germany and Benelux. The European figure is expected to pass 1,000 by the end of 1977.

Sites in Europe

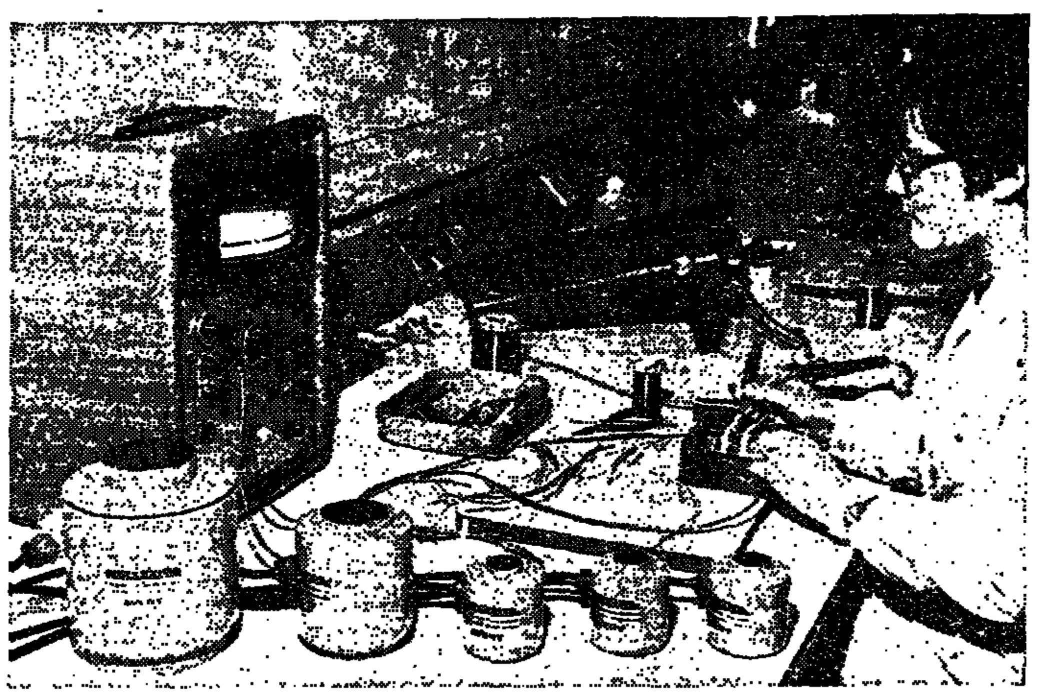
Datagraphix says it has 150 installations in Europe and that some 1,600 organisations use bureau-based Datagraphix COM. The company makes no claim about market share, merely pointing out that its machines comprise the "overwhelming majority."

A striking feature is the European continental upturn. Although the Datagraphix initial base was in the U.K. (marketing started in the late 50s), growth in France (about 25 installations/annum) is now running at about twice that of the U.K., with Germany not far behind. Main reason for this is that the French and Germans have played something of a waiting game until the early 1970s and have recently been making firm semi-national decisions of the kind that do not apply in the U.K.

There has also been, says Datagraphix, some disarray among the other COM vendors resulting in considerable market uncertainty. Bell and Howell have purchased Pertec COM (previously sold by Agfa-Gevaert which is now offering Calcomp); 3M, which has publicised its own equipment now seems likely to offer the Beta equipment of Gould Inc. "Even Kodak" says Datagraphix, "still markets recorders produced by another manufacturer." Also cited are "the twelve COM companies that have failed in the last nine years."

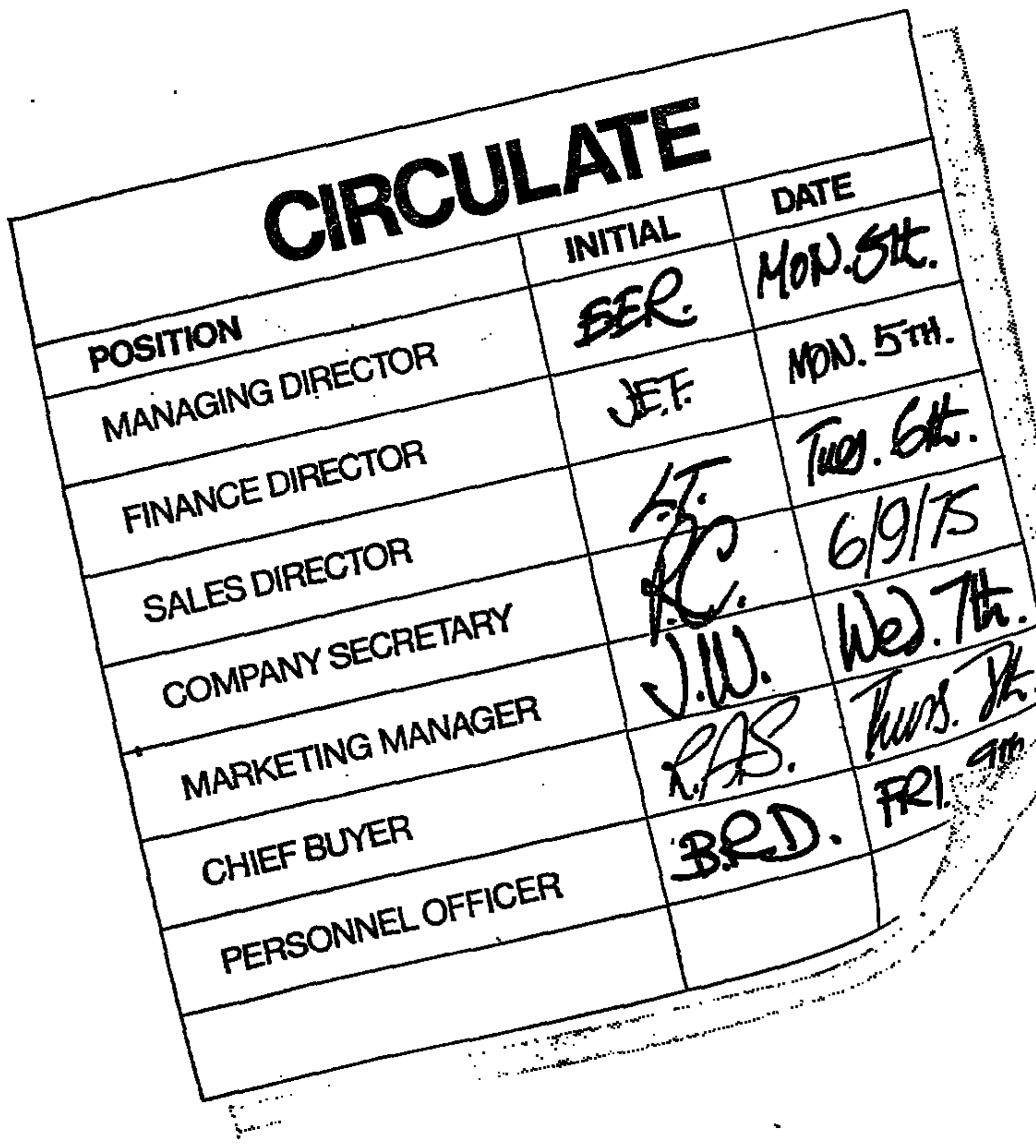
Datagraphix, naturally enough, continues to emphasise that it has always designed, manufactured, marketed and supported its own product.

The demand graphs are certainly rising dramatically, and it is evident that Datagraphix intends to try to retain its grip on the market.



Compression load cells by W. and T. Avery usually incorporated in its weighing equipment are now being offered to other manufacturers needing precision transducers to convert loads or forces into analogue signals. Five standard capacities are supplied from 10,000 to 200,000 lbs with cells of the hermetically sealed single-bridge type of high reliability. The cells, shown above, are calibrated on a 123,000 lb deadweight machine designed and built by the company and approved as an official standard of force measurement by the British Calibration Service.

● By agreement between the Financial Times and the BBC, information from The Technical Page is available for use by the Corporation's External Services as source material for its overseas broadcasts.



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LABOUR NEWS

Furnace men hold new talks with BSC

By Lorelies Olslager, Labour Staff

TALKS RESUMED yesterday between the British Steel Corporation and the National Union of Blastfurnacemen on their dispute over commissioning a new, high-capacity furnace at Llanwern in South Wales which once threatened to halt most BSC opeartions.

The meeting took place while the court of inquiry set up to investigate the background to the dispute was completing its report and possible recommendations on how to avoid such conflicts in future.

The report is expected to be ready next week, possibly by Monday or Tuesday, but Sir Richard Way, the chairman, has already said that it would not make recommendations on the crucial pay issue.

No details were released on yesterday's meeting between the Corporation and hte NUB, but both sides said discussions would continue. The corporation hopes that the next impetus will come from the court's report.

Pay claim

The dispute is over pay for blastfurnacemen required to operate the new furnace, which at 5,000 tons output a week has twice the capacity of the existing furances at Llanwern, yet can be run with considerably fewer men.

Because of the increased productivity, the NUB has been demanding earnings of up to £117 a week for the best paid men operating the new furnace, while BSC has said that it cannot go beyond a "final" offer of £100 a week.

NUPE is ready to renew private beds campaign

BY CHRISTIAN TYLER, LABOUR STAFF

ONE OF THE main health service unions is poised to renew a campaign against private patients in National Health Service hospitals if consultants deal with emergencies only from Monday as instructed by the British Medical Association.

The National Union of Public Employees, which represents nurses and hospital manual workers, is determined that where consultants impose sanctions, its members should concentrate their care on NHS patients.

It is likely to call for withdrawal of special services to consultants and to their private patients.

The warning came yesterday as junior hospital doctors all over the U.K. began taking similar official industrial action over their separate dispute with the Government about pay policy, and hospitals are prepared to lose their doors. The consultants are protesting at the Government's proposals to legislate private practice out of NHS hospitals.

As NUPE warned of retaliatory action, Mr. Len Clarke, "moderate" president of the National Union of Mineworkers in Nottinghamshire, said that if the junior doctors broke the pay policy, miners, too, would call for an increase above £6 a week —the maximum allowed under the policy.

His remarks strongly underlined the Government's repeated claim that if doctors did not accept the policy, then other groups, including miners, would follow them through the breach.

The miners national executive has decided already to abide by the £6 limit in its forthcoming negotiations.

The real prospect of simultaneous action by junior doctors and consultants yesterday prompted Sir Rodney Smith, president of the Royal College of Surgeons, to ask for an urgent meeting with the Prime Minister.

He said that all the medical colleges wanted to stress their "grave concern" about patients' safety if the Government did nothing to "facilitate meaningful consultations with a united medical profession."

The hospitals about to close or greatly run down are the Croydon General, Surrey, three hospitals in Brighton and Merthyr Tydfil General.

Action by juniors was reported strong in London and the North of England, but not in Scotland, some parts of the Midlands and in the South and West.

Worker directors plan rebuffed

By Our Labour Staff

THE TUC proposal for 50 per cent. worker directors on the supervisory Boards of companies was "a scarcely concealed bid to sovietise British industry using trade union bureaucracy," the Association of British Chambers of Commerce said yesterday.

In a study on employee representation, which it plans to submit as evidence to the Government's proposed *committee of inquiry into industrial democracy in the private sector*, the Association advocates the establishment of West German-style company councils for consultations between managements and employees instead.

The Association, which represents about 50,000 businesses of varying size, said that the introduction of two-tier Boards in Britain—on which the TUC's industrial democracy proposals are based—should be "opposed and rejected." Trade unions in Britain were ill qualified "for the balancing task of business management."

The proposed company councils should include representatives of all parts of the workforce and not only union members, the Association said.

The council, attended by Board directors, would organise consultation in four main areas: finance; changes in ownership of the company; redundancies and plant closures; and such matters as welfare, safety, pensions, and operating methods.

Consultation on change in ownership and redundancies and plant closures should be statutory, the Association said. But generally, there should be a minimum of legal enforcement. A code of good practice would lay down advice on the best form of procedure.

The law would provide, however, for an arbitration tribunal to whom a workforce of more than 200 could appeal if they felt management was not abiding by the code.

Cowley pay threat is lifted but manning strike starts

BY ROY ROGERS, LABOUR CORRESPONDENT

A POTENTIALLY damaging pay dispute at British Leyland's Cowley, Oxford, car body plant was resolved yesterday only to be replaced by a strike over manning levels which had an immediate effect on production at both the body and adjacent car assembly works.

A representative of the 1,000 Amalgamated Union of Engineering Workers' members employed in the body plant said that a strike threatened to begin to-day had been called off because the company had agreed to implement the second stage of the engineering industry's national pay agreement.

The engineers failed to get the assurance they were seeking that the improvements due from the national agreement—worth up to 67p a week for Cowley workers—would not be offset against the Government's £6-a-week pay limit when annual negotiations come round in February.

There are to be talks between management and local union officials to see how the honouring of the national agreement will fit in with the next pay review without breaking the Government's policy.

120 walk out

A manning dispute smouldering at the body plant for some time spread yesterday and 120 workers walked out. They left 300 colleagues idle, and a further 200 were sent home from the Maxi lines in the assembly plant.

The management hopes the strikers will return to-day to allow negotiations on their grievance. If they do not report for work, production in both plants could be seriously hit.

Before this manning dispute hit the Maxi line yesterday, production at the assembly plant was said to be continuing to improve, although it would still have fallen short of the 28½ Maxi and Princess cars that management has said must be produced each hour.

Mr. Des North, assembly plant director, said last week that the plant would be closed unless this target was reached, but no workers have been sent home so far. Talks on one of three regrading disputes affecting assembly performances are to be held to-day between the management and local union officials.

Management and union representatives at Cowley will meet to-day to discuss the regrading demand of 150 engine tuners who paralysed production earlier this year by a five-week strike.

Union hits at Harland postings

By Our Labour Staff

THE GENERAL and Municipal Workers' Union yesterday attacked the appointment of a TUC general council member and an Oxford University academic to the Board of Harland and Wolff, the ailing Belfast shipyard.

The appointments are for non-executive seats on the Board and have gone to Mr. Alan Fisher, general secretary of the National Union of Public Employees and a member of the TUC general council, and Dr. W. E. J. McCarthy of Nuffield College, a leading labour academic.

Mr. Ken Baker, a national officer of the GMWU, last night criticised the appointments, which were announced this month in a Parliamentary reply.

Mr. Baker said the GMWU and his members at the shipyard were "frankly appalled at the lack of consultation over the appointments."

The two men were not representative of those at the yard and, although the union had no objection to them personally, what was needed was people with some knowledge of shipbuilding.

"This is an appalling start to what was supposed to be a new era of co-operation and consultation" he said.

Small ports 'imperilled' by dock labour scheme

BY OUR LABOUR STAFF

SOME smaller ports could go out of business if they were forced to employ registered dock workers under the Government's proposed legislation, it was claimed yesterday.

Representatives of 11 small ports from Stornoway in the Outer Hebrides to Yarmouth, the Isle of Wight, have lobbied MPs as part of their fight for exemption from the dock labour scheme.

The cost of employing registered dockers—under the scheme they are virtually guaranteed a job for life—could put some ports out of business or so increase their costs as to impose an "intolerable burden" on the local community, MPs have been told. In many cases these ports were the lifeline between islands and the mainland.

As an example, the ports said, 800 men at Teignmouth producing ballclay for the potteries could see their livelihoods affected. This could ultimately hit millions of pounds worth of china exports.

The Government's plan to extend the dock labour scheme to all ports and the majority of inland cargohandling depots is being fiercely opposed by employers, under the leadership of the CBI, which says that it gives militant dockers a "stranglehold" on the nation's supply line.

Call for law to cut noise at work

By Donald Maclean

EMPLOYERS SHOULD accept new statutory duties in the field of noise regulations, says a Government advisory committee quoted yesterday by the Health and Safety Commission.

Statutory limits should be set on the exposure to noise of workers in manufacturing industry in general, not only in the woodworking industry as at present. It is recommended the consultative documentr released yesterday, should be the basis for wider coverage of workpeople if such coverage is decided on.

Six recommendations are put forward as a basis for the noise regulations. These involve employers: carrying out surveys if the sound to which persons are exposed "is likely to exceed the equivalent of eight hours' continuous exposure at 90 decibels" (that is, would have to shout to be understood one metre away); taking steps so far as possible to cut noise exposure to acceptable levels; identifying and marking all areas where the limits are exceeded or likely to be exceeded; providing persons entering such areas with "suitable ear protection."

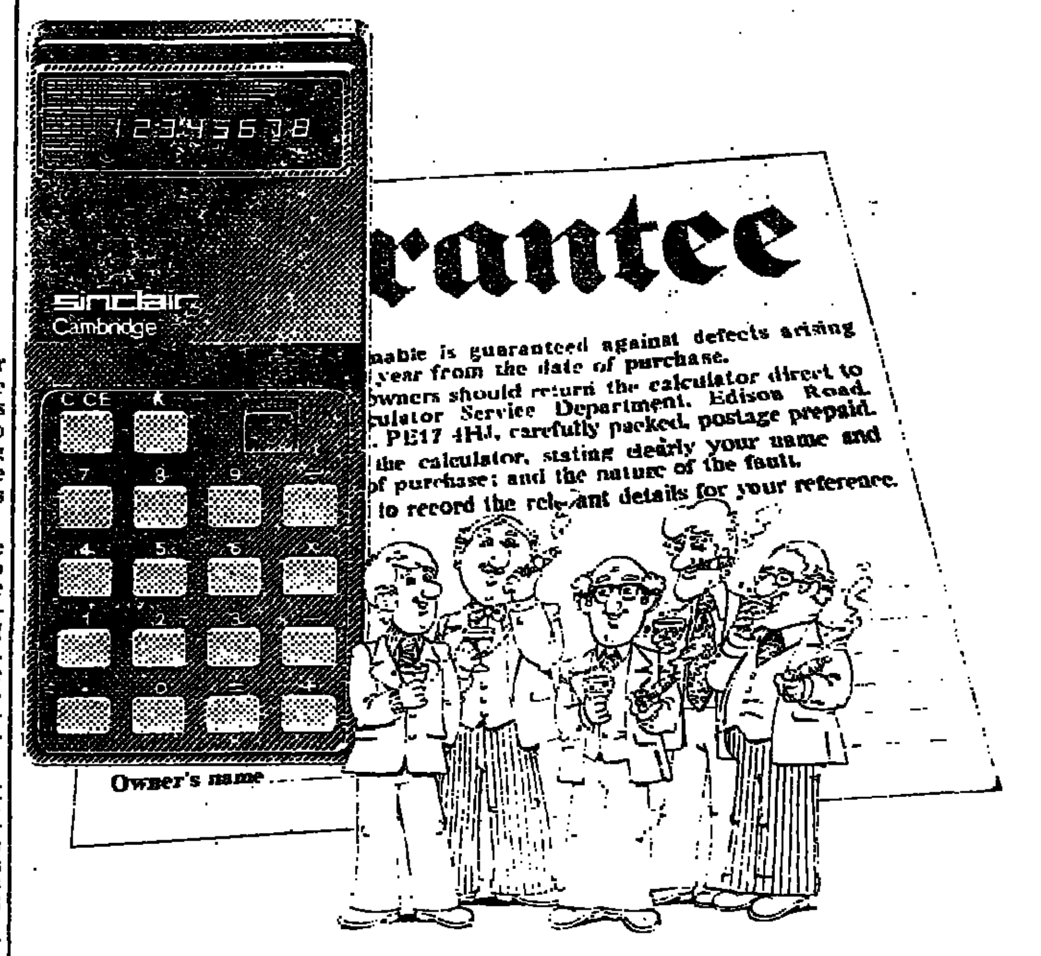
Framing Noise Legislation; Report by the Industrial Health Advisory Sub-Committee on Noise. Available free from the General Information and Public Enquiry Point, Health and Safety Executive, 1, Chepstow Place, London W2 4TF.

Evening Standard stopped

By Our Labour Correspondent

NO COPIES of the London Evening Standard appeared yesterday because of a pay dispute involving members of the National Graphical Association seeking extra for producing a 52-page paper.

The matter, involving about 90 time-hands and proof readers, was referred to the Newspaper Publishers Association's disputes procedure and it was agreed late yesterday afternoon that normal working would be resumed and a 52-page paper produced to-day.



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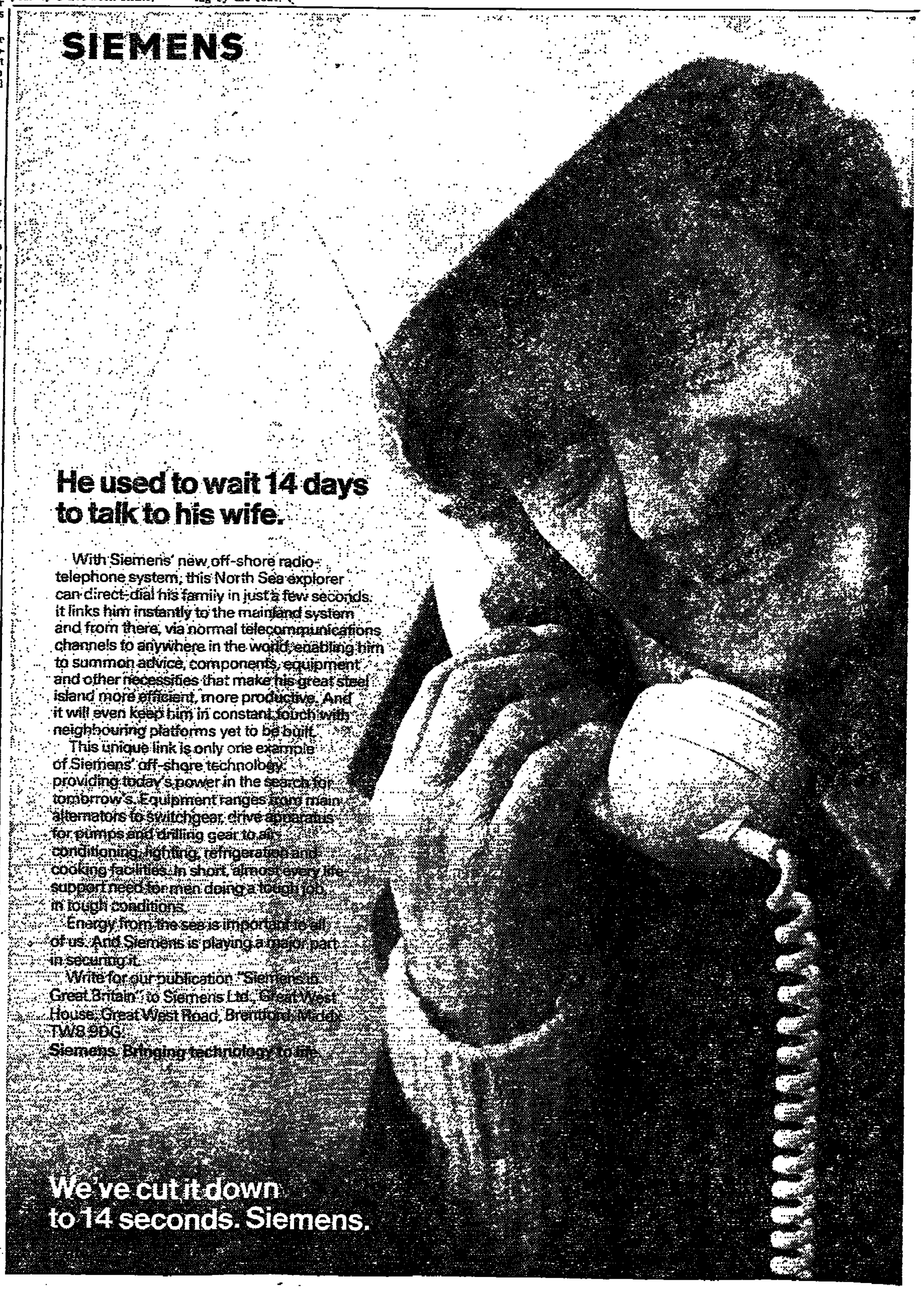

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PARLIAMENT

Benn wants bigger market for coal

BY JUSTIN LONG, PARLIAMENTARY CORRESPONDENT

THE GOVERNMENT is sponsoring a further exploration before Christmas of ways to get a much needed expansion of markets for the coal industry.

Mr. Anthony Wedgwood Benn, Energy Secretary, outlining his proposals in the Commons yesterday, said he had in mind a meeting between the electricity industry and the National Coal Board along with representatives of the National Union of Mineworkers.

The Electricity Council and the Central Electricity Generating Board would be represented at what the Minister envisaged as "*preliminary discussions*" on the inter-relationship of the two energy industries in an atmosphere of mutual confidence.

The discussions would also involve an examination of the import and the export situation *for coal.*

Pressed from the Labour backbenches, Mr. Benn said that one point which needed further discussion was the issue over power stations and possible conversions to coal burning.

The idea of a joint examination of the demand and market for coal was welcomed from the Opposition front bench, by Mr. Patrick Jenkin.

But Mr. Jenkin pointed out that the Plowden report on the electricity industry was expected to be submitted within a few weeks, and he hoped that the Minister would not make hard and fast decisions prematurely.

Mr. Benn . . . planning talks.

Mr. Benn assured him that the discussions he envisaged between the two industries would be informal, and he stressed the other measures taken by the Government to help the industry during second reading debate on the National Coal Board (*Finance*) Bill.

The Bill, which increases the NCB's borrowing limit from £700m. to a possible £1.4bn., also enables a Government contribution of £250m. to the mineworkers' pension scheme over the next 20 years.

Mr. Benn pointed out that at the last tripartite talks the Government had endorsed a big investment programme for the NCB involving £1.4bn. worth of capital expenditure.

The Government, the NCB and the NUM had decided to reconvene the tripartite discussions to review the progress made in implementing plans for the industry.

The first meeting was held last Tuesday, and the Minister suggested there had been agreement that the atmosphere in the coal industry was better than it had been for a decade.

Referring to the industry's future production plans, Mr. Benn said that the proposal for a major new mine at Selby, producing 10m. tons of coal, had gone to a public inquiry, and the inspector's report was expected shortly.

"It is the Government's policy to phase out subsidies to the nationalised industries, and in line with this, the Government hopes that the coal industry will be able to operate without assistance from grants.

"But the Government has recognised that circumstances may arise when it may need to provide short-term aid to the industry."

Holyhead shipping service plea fails

FINANCIAL TIMES REPORTER

THERE IS to be no reprieve for the British Rail livestock and general cargo shipping service between Holyhead and Dublin which is due to go out of service on Sunday.

Replying to a question by Mr. Cledwyn Hughes (Lab., Anglesey) in the Commons yesterday, Dr. John Gilbert, Minister of Transport, rejected the recommendation by the *Transport Users' Consultative* Committee for Wales that the Government should direct British Rail to continue the service.

He said the Government had had regard to the substantial losses which the service and its associated railway services were incurring, the Railway Board's assessment that the users of the service would not provide sufficient traffic at the rates which would need to be charged in order to make the service *viable, and to the investment* which would be needed to retain the service

The Government had also borne in mind the obligation of the Railways Board to operate its shipping services commercially and the Board's financial position.

Dr. Gilbert stated: "In the light of all these factors, the Government have reluctantly come to the conclusion that they cannot justify the making of a direction to overrule the commercial judgment of the Board. The Board will therefore remain free to proceed with the withdrawal of the service as announced."

Jenkins rejects call for death penalty for terrorists

THERE WAS a new call in the Commons yesterday for re-introduction of the death penalty for terrorism.

Mr. Peter Morrison (C., Chester) said the overwhelming *majority, including erstwhile* abolitionists, thought the penalty not just desirable but essential.

However, Mr. Roy Jenkins, Home Secretary, refused to bring in legislation. It was not just his own view, but the decision of the House, taken with great responsibility—in the early aftermath of the Birmingham bombing—by a very large majority, he said.

Mr. Christopher Price (Lab. Lewisham) said the quashing recently of the verdicts in the Confait case was an uncomfortable reminder that guilty murder verdicts did not always correspond to the truth.

This scandalous case should cause us to go slowly in returning to an irreversible penalty.

Mr. Jenkins agreed, adding that, in his time as Home Secretary, he had had to deal with an uncomfortable number of decisions where there was doubt.

Replying to Mr. Nicholas Fairbairn (C. Kinross and West Perthshire), who said that life imprisonment should mean life imprisonment and nothing else, *Mr. Jenkins said that one Home* Secretary and one Parliament could not bind another, but people imprisoned for long terms for terrorist offences who believed they would serve only about nine years or that an early amnesty was in prospect, were gravely mistaken.

Mr. Ian Gow (C. Eastbourne) said that many people like himself, who were convinced abolitionists for non-terrorist murders, believed that terrorism was "a uniquely evil crime" and as such required a unique punishment.

He urged Mr. Jenkins to make a Ministerial broadcast urging on all people the importance of coming forward with any information which might help the police track down terrorists.

The Home Secretary replied that he had made a Ministerial broadcast a year ago, but would always consider doing so again if he believed it would be helpful.

Mr. Alf Bates (Lab., Bebington and Ellesmere Port) said the use of capital punishment would simply turn miserable murderers into martyrs.

Short resists pressure for jobless debate

MR. EDWARD SHORT, Leader of the Commons, yesterday rejected repeated calls by Left-wing Labour MPs for an immediate debate on unemployment.

While he sympathised with them, there was not enough Parliamentary time for a debate before Christmas, he said.

Leading the demands was Mr. Eric Heffer (Walton), the former junior Industry Minister, who referred to the previous day's march through the streets of London by 20,000 workers.

"These workers were not led by extremists, as suggested by the general secretary of the TUC, but by the North-West of the TUC supported by trades councils throughout the North-West, and trade unionists throughout the country," said Mr. Heffer.

"Twenty-thousand workers marching about unemployment does not mean they are against the Government. It means they want something positive done about it."

Mr. Short replied that he had noted the demonstration but he had also seen the policemen who were injured.

Mr. Martin Flannery (Lab., Hillsborough) claimed that "a powerful delegation of working people from Sheffield" had seen him after the march yesterday, and urged a full-scale Commons *debate on unemployment.*

While agreeing to keep in mind these representations, Mr. Short added: "My information was that you were shouted down by those you tried to address yesterday."

Mr. Dennis Skinner (Lab., Bolsover) contended that other Commons business should be taken off next week to make way for an unemployment debate.

Hare-coursing Bill returns

A NEW Bill to outlaw hare-coursing matches was introduced in the Lords yesterday and given *a formal first reading.*

The Bill—whose predecessor completed most of its Parliamentary stages, but was lost because of the ending of the Parliamentary session—was presented by Lord Harris, Minister of State at the Home Office.

Reason sinks beneath the mud

BY PHILIP RAWSTORNE

"And what did you do during the Great Economic Crisis, daddy"—"Why, I was employed in shouting insults, son."

Depression affects the Commons in rather different ways than the rest of the country. Yesterday, it overflowed with political petulance, all sign of reason sinking beneath a flood of jeers and jibes.

Not a pretty sight—squalor among the Liberals, said the Prime Minister; rubbish from the Government, yelled the Tories; an obnoxious Opposition, countered Mr. Edward Short.

Mr. Eric Heffer and a few other Left-wingers, wading through the morass in search of a debate on unemployment, found everyone too busily engaged.

Mr. David Steel, Liberal *MP, Roxborough, opened the* flood gates by suggestion that Mr. Harold Wilson should stay out of Scotland until the "rage and fury" ove rthe Government's devolution proopsals hadabated.

But the PM plunged straight in. If that was how the Liberals felt, he was very surprised at "the squalor" of their voting deal with the Tories, he said.

"Those words reflect the state of your mind rather than the facts," Mr. *John Peyton* interjected. And with that, the House was soon knee-deep in mud.

The pay restraint policy now carried the support of the whole country, Mr. Wilson announced, *hopefully testing* the water again.

"Rubbish," the Tories yelled, hurling a constant stream of abuse through which Mr. Wilson patiently floundered.

What the country was concerned *about Mrs. Margaret* Thatcher declared amid Labour cheers, was the power being wielded by a minority of Left wing extremists.

"I have made clear my anxiety about Left wing and *Right wing militants," the* Prime Minister retorted. Mrs. Thatcher had only associated herself with one group — and then only in the U.S.

"Selsdon woman makes Selsdon man look like a rav*ing anarchist," Mr. Norman* Atkinson added helpfully from the Labour back benches.

It would be indelicate to talk about that relationship, said Mr. Wilson, releasing another *torrent of mingled protest and laughter.*

Some Labour MPs carried away by it all even turned on colleagues. Mr Dennis Skinner dubbed Mr. Michael Foot the "Secretary for Unemployment" and Mr. John Stone*house, complaining about the* travel restrictions imposed on a Russian, was advised to "make sure he's got a passport or two."

The Tories, at least, were not diverted from their targets *on the Government front* bench where Mr. Edward Short, after a series of irrelevant clashes, condemned them as "the most discourteous and ill-mannered opposition for 25 years."

Servicemen 'hit by Rent Act'

THE GOVERNMENT is being urged to remove the legal difficulties faced by servicemen in repossessing their homes when they return from overseas postings or leave the forces.

Mr. Robert Boscawen, Conservative MP for Wells, has written to Mr. William Rodgers, Minister of State, Defence, pointing out that the problem arose through the 1974 Rent Act which protects tenants of furnished lettings. And most long-term servicemen found it essential to let their homes furnished while abroad to help towards mortgage payments.

More teachers

NEARLY 11,000 more *full-time* teachers were employed in maintained primary and secondary schools in England and Wales last September compared with a year earlier, Mr. Fred Mulley, Education Secretary, said yesterday in a Commons written reply.

Peers see hope for new world economic order

BY JUSTIN LONG, PARLIAMENTARY CORRESPONDENT

PROSPECTS OF a further advance in the conduct of international economic affairs were foreseen by peers in the Lords last night arising out of the Lome Agreement reached earlier this year by the EEC and African, Caribbean and Pacific countries in equal partnership.

Baroness Elles, from the Opposition first bench hoped that the Government would be thinking in terms of a new Lome meeting before March 1980. She stressed the prospects such a convention offered for creating a new order in world economic arrangements.

The convention was a comprehensive agreement covering trade and aid, including provisions relating to industrial, *technical and* financial co-operation, the Earl of Selkirk, pointed out when he opened a debate on EEC affairs.

The convention requires ratification by member-States of the EEC and the 43 other States *which had attended.*

Lord Selkirk said that only Denmark in the EEC had so far ratified the convention, which expires in March 1980, although it had been unanimously passed by the European Parliament. He was confident the British Government would ratify it, but wanted to know when. "They should do so with more warmth and welcome than they have expressed up to the present time."

Lord Selkirk said that he would like to see a Director-general of the Lome convention arrangements which, he described, as a "considerable step forward since Britain joined the Community."

Historic

Lord Roberthall welcomed the introduction under the convention of new international units Bretton Woods agreement at the of account. He said that the end of the last war had resulted *in a simple system of units of* account being adopted for the benefit of world trade.

"But because of successes or failures in dealing with inflation, that system suffered strain."

Lord Banks said he regarded the signing of the Lome Convention in February as a great and historic event, although the convention had not been free from criticism.

Perhaps the biggest criticism against *it was the question of* its very existence, and whether there should be a convention between the EEC and only a part of the developing world.

Essential

The agreement covered only 14 per cent. of the population of the developing world, even though that amounted to 500m. people.

Some people thought arrangements of this kind should be all-embracing, said Lord Banks. In a perfect world, this would be so, but we did not live in such a world.

He welcomed the agreement between nine European nations and the 46 developing countries, particularly where it brought about co-operation between English-speaking Africans and French-speaking Africans.

Viscount Amory, a former Chancellor of the Exchequer, said the evolution of some sort of unit of account in the EEC was essential.

The present position was that there were a number of different units of account, and it seemed desirable that one should be *selected as soon as possible and* its use virtually made general.

"It is not a case of too many eggs in one basket, but too many baskets for a limited number of eggs," said Lord Amory. "It looks as though *the Lome unit of account may suit the present* and likely future situation."

As long as the U.K. was in debit to the EEC there were temporary advantages for us in the use of the existing units of account, which were based on a *sterling exchange rate* more favourable than the present one.

But that advantage could hardly be expected to last indefinitely, Lord Amory pointed out.

'New evidence' prompts picket case inquiry bid

LABOUR BACKBENCHER, Mr. Dennis Skinner (Bolsover) yesterday pressed the Home Office to set up an inquiry into the case of the imprisoned Shrewsbury *trade union picket, Des Warren,* in view of new photographic evidence.

Mr. Skinner claimed in the Commons that this evidence showed quite conclusively that a man named Grocott, supposed *to have been seriously injured* during the 1972 building workers' strike from which the case arose, had been at meetings in perfectly good health after he was supposed to have been injured.

Mr. Roy Jenkins, the Home Secretary, said matters of new evidence which had not been before the courts would always be considered to determine whether they were something which would justify a reference, but these must be matters of new evidence and not matters of opinion on old facts.

There were angry shouts from Labour Left-wingers when Mr. Andrew Faulds (Lab., Warley E.) *commented:* "It would be heartening, considering the hundreds of thousands of genuine political prisoners throughout the world, if some of my colleagues could lift their eyes occasionally from parochial, *petty and piddling horizons.*"

Concern over detainees

MEN AND WOMEN awaiting deportation "in a dark corner of our society" were whisked away and held in prison for up to five months without trial while they appealed, said Mr. Norman Atkinson (Lab., Tottenham) in the Commons yesterday.

He asked the Home Secretary if the time had not come to "draw aside the curtain which has heavily veiled this dark corner" up to now.

Mr. Alex Lyon, Minister of *State, Home Office,* said he was very concerned about the amount of time people spent in detention awaiting deportation while their cases were heard.

"One of the difficulties about the situation is that we take most careful note of the representations made to us, and frequently that takes a long time—as it did in a case which lasted five months."

Mr. David Lane (C Cambridge) asked the Minister to confirm that great care was taken to see that the time individuals were unavoidably kept in detention in these circumstance was made "as civilised as possible."

Mr. Lyon replied: "It is *extremely difficult* to describe conditions in Pentonville and Holloway as 'civilised,' but we do try to make the situation of these people tolerable."

Next week's business

COMMONS debates next week are:
MONDAY: Agriculture (Miscellaneous Provisions) Bill, second rdg; debate on the White Fish and Herring Subsidies (U.K.) (No. 3) scheme.
TUESDAY: Aircraft and Shipbuilding Industries Bill, second rdg; debate on financial assistance for Alfred Herbert Ltd.; OECD Support Fund Bill, Moneylenders (Crown Agents) Bill, rmg stgs.
WEDNESDAY: Debate on *Developments in the European* Communities; Northern Ireland (Loans) Bill, rmg stgs; debate on Northern Ireland orders on Rates, Bann reservoir, insurance, firearms and education.
THURSDAY: Debate on the report of the committee on Commons Administration, Civil List Bill, second rdg; debate on the Arbury Banks preservation order.
FRIDAY: Police Bill, second rdg.

Lords business is:
TUESDAY: Debate on EEC energy policy, and the unemployed.
WEDNESDAY: Debate on the National Health Service.
THURSDAY: Insolvency Bill, Road Traffic (Drivers' ages and hours of work) Bill, Fair Employment (Northern Ireland) Bill, second rdgs; debate on Government policy towards the Falkland Islands and its dependencies.

Protest over Dartmoor evidence ruling

A STRONG protest was made yesterday about a Ministerial ruling on what evidence could be considered at the public inquiry into the Armed Forces' use of Dartmoor.

The protest came at the start of the third day of the inquiry in Exeter.

Baroness Sharp, conducting the inquiry, said that, after a row about terms of reference, she had heard from the Government.

Mr. Roy Mason, Defence Secretary and Mr. Anthony Crosland, Environment Secretary, do not want the inquiry to discuss the need for the Army and Royal Marines to retain bases in the South-West and have training facilities in the region.

Baroness Sharp said that she had told the Government that Lady Sayer, patron of the Dartmoor Preservation Association, had said that if this interpretation of the terms of reference was agreed, the inquiry would be useless.

Lady Sayer: "I must say I think their decision has made our task an impossible one. It overrides natural justice and I now regard this as an interim inquiry. There must be another inquiry in a few years when defence cuts were known.

Mr. Michael Howard, for the Countryside Commission and the Dartmoor National Park Committee, said that the ruling had to be accepted. But he queried the definition of the South-West.

Before the inquiry started, Lady Sayer was reported as saying she wanted Dartmoor training facilities transferred to Scotland.

CREDIT COMMERCIAL DE FRANCE

INCREASE OF CAPITAL
for cash
from F. 259,112,250 to F. 345,483,000
issue of 1,151,610 new shares of face value F. 75 each
ranking for 1976 dividend

Issue price: F. 75 per share, fully paid on subscription
Issued amount: F 86,370,750
Subscription: from the 17th November to the 15th December inclusive, at the "Credit Commercial de France"'s registered office and at the branches and agencies of the "Credit Commercial de France" in France

Shares offered by way of right:
• a preemptive right to subscribe for new shares is given to existing shareholders in the proportion of one new share for three old ones
• They may in addition apply for excess shares

In the event of the achievement of the above increase of capital for cash, and the very day of this achievement:

AN INCREASE OF CAPITAL
from F. 345,483,000 to F. 431,853,750
by incorporation of reserves
An allotment of 1,151,610 bonus shares will be made
at a date to be fixed, in the proportion of one bonus share of face value F. 75, ranking for 1975 dividend, for four shares held (both old and new ones)

Commonwealth of Australia

Ten Year 6½% Bonds due January 1, 1977

To the Holders of the above-described Bonds:

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Bonds of the above-described issue, Morgan Guaranty Trust Company of New York, as Sinking Fund Agent, has drawn by lot for redemption on January 1, 1976 at 100% of the principal amount thereof through operation of the Sinking Fund, $829,000 principal amount of said Bonds bearing the following numbers:

[illegible]	[illegible]

The Bonds bearing the numbers above specified will be redeemed and paid on and after January 1, 1976, at the principal amount thereof and surrender of such Bonds with all coupons maturing after said redemption date, at the option of the holder either (a) at the Corporate Trust Office of Morgan Guaranty Trust Company of New York, 15 Broad Street, New York, N.Y., or (b) subject to applicable laws and regulations, at the main offices of Morgan Guaranty Trust Company of New York in Antwerp, Brussels, Düsseldorf, Frankfurt (Main), Munich, London or Paris, or the Reserve Bank of Australia in London, or Amsterdam-Rotterdam Bank N.V. in The Netherlands. Payments at the offices referred to in (b) above will be made by check drawn on a bank in New York City, or by a transfer to a United States dollar account maintained with a bank in New York City. Coupons maturing on January 1, 1976 should be detached and presented for payment in the usual manner.

From and after such redemption date no interest shall accrue upon or in respect of any such Bonds called for redemption as aforesaid.

COMMONWEALTH OF AUSTRALIA

November 28, 1975

NOTICE

The following Bond previously called for redemption has not as yet been presented for payment:
17611

MIDDLE WITWATERSRAND (WESTERN AREAS) LIMITED
(Incorporated in the Republic of South Africa)

DECLARATION OF INTERIM ORDINARY DIVIDEND NO. 43

Interim ordinary dividend No. 43 of 15 cents per share has been declared payable to holders of ordinary shares registered in the books of the Company at the close of business on 12 December 1975.

The dividend is declared in the currency of the Republic of South Africa. Payments from London will be made in United Kingdom currency and the date for determining the rate of exchange at which the currency of the Republic of South Africa will be converted into United Kingdom currency will be 15 December 1975 or such other date as set out in the conditions subject to which the dividend is paid. These conditions can be inspected at the registered office or office of the London Secretaries of the Company.

Warrants in payment of the dividend will be posted on 31 December 1975.

The registers of members of the Company will be closed from 13 to 19 December 1975, both days inclusive.

By Order of the Board
ANGLO-TRANSVAAL CONSOLIDATED INVESTMENT COMPANY, LIMITED
Secretaries
per: W. S. Crichton

London Secretaries:
Anglo-Transvaal Trustees Limited
295 Regent Street
London W1R 8ST
27 November 1975.

Registered Office:
Anglovaal House
56 Main Street
Johannesburg

Eleven new Marinas. With no increase in price.

Although we've added a lot to Marina 2's specification, we haven't added to the price. The four new models have been introduced at price levels in proportion to the rest of the range, and unlike most of the competition, Marina prices include automatic seat belts as standard.

Marina 1.3 DL Coupé £1645·02

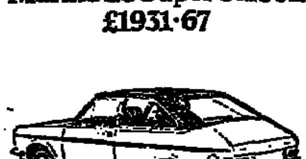
Marina 1.3 DL Saloon £1715·22

Marina 1.3 Super Coupé £1724·58

Marina 1.3 Super Saloon £1794·78

Marina 1.8 Super Coupé £1861·47

Marina 1.8 Super Saloon £1931·67

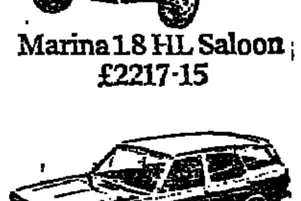


Marina 1.8 Special Coupé £2008·89

Marina 1.8 Special Saloon £2068·56

Marina 1.8 GT Coupé £2146·95

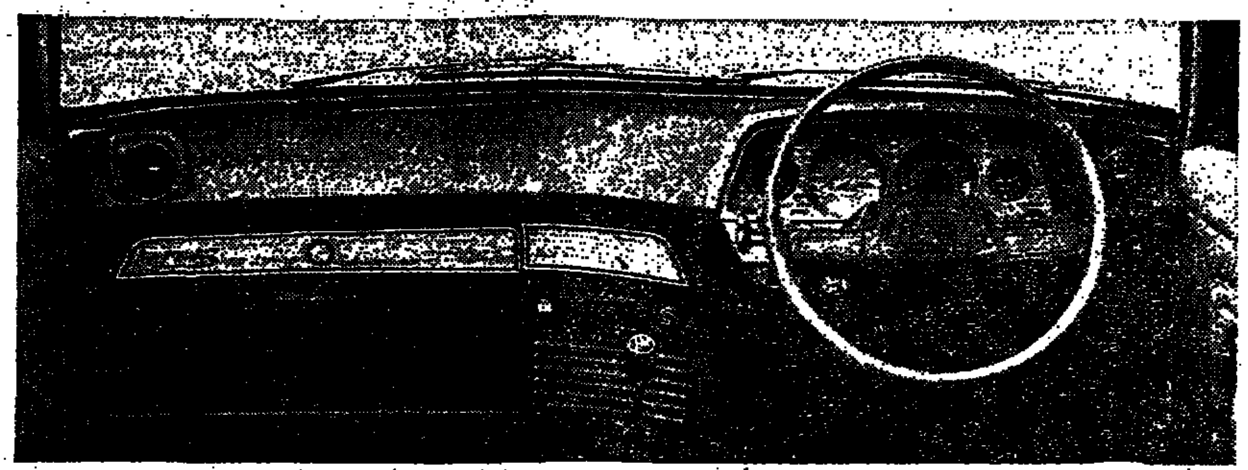
Marina 1.8 HL Saloon £2217·15



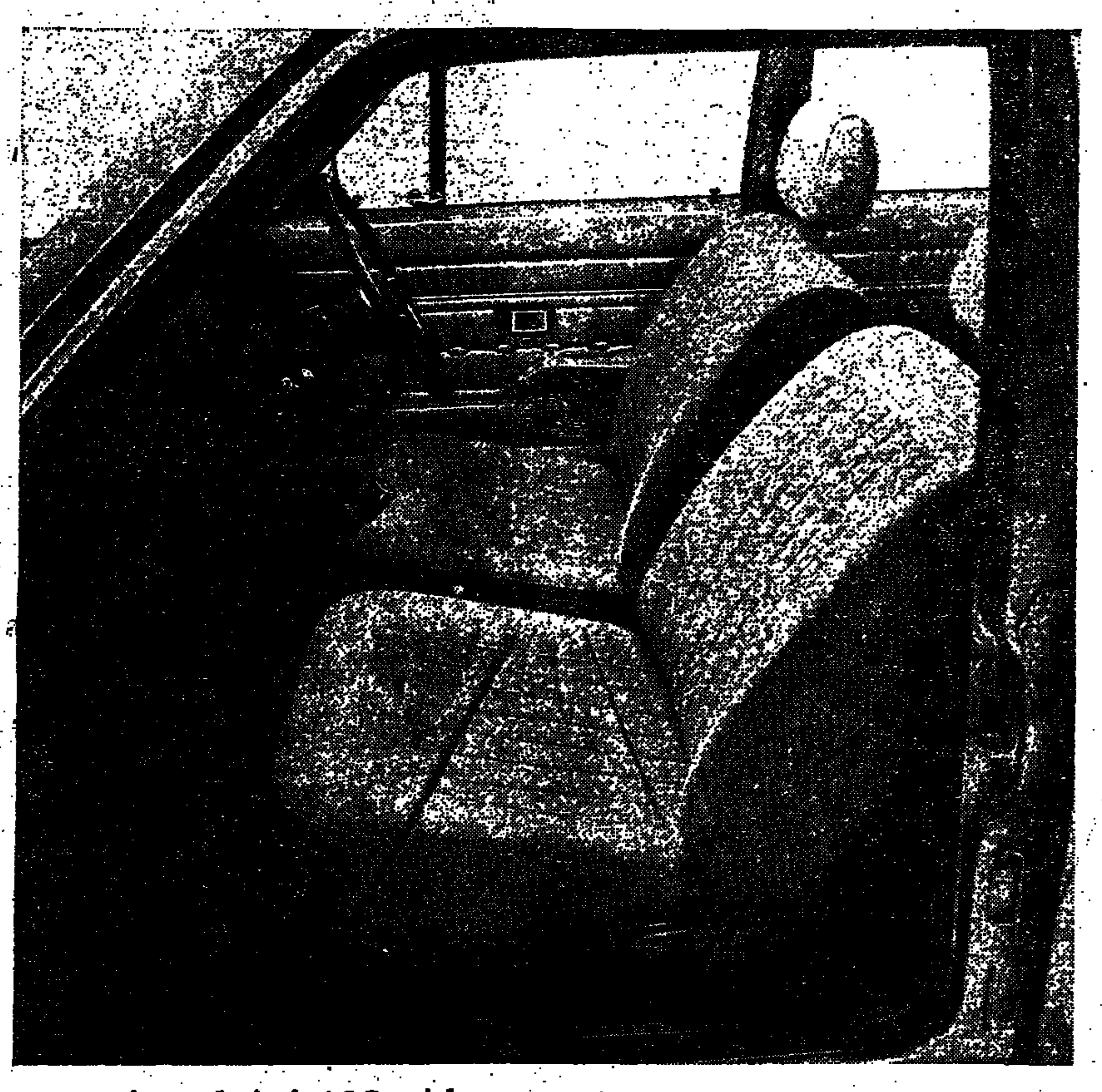
Marina 1.8 Super Estate £2149·29

All above recommended retail prices include car tax, VAT and automatic seat belts. (Number plates and delivery extra.)

Marina 2
A lot more Marina for no more money.



A new fascia on 1·8 Specials



New seating and trim in 1·8 Specials

Announcing eleven new Marinas. Five Coupés, five Saloons and an Estate, of which four are new models: an HL Saloon, a GT Coupé and two 1.8 Specials. And within that range of cars you'll find unbeatable value for money.

More standard features

Take the 1.8 Special Marinas, for example. You'll find new features – a colour-matched fascia, a new steering wheel, opening quarter-lights and twin spotlights. Added to features like hazard and reversing lights, electric washers, a clock and cigar lighter, they make the new Marinas even more outstanding value than ever.

More comfort

We've put new bodyline seating in the Marina 2, complete with front head restraints and a rear centre armrest. That comfort is complemented by improved handling.

More control

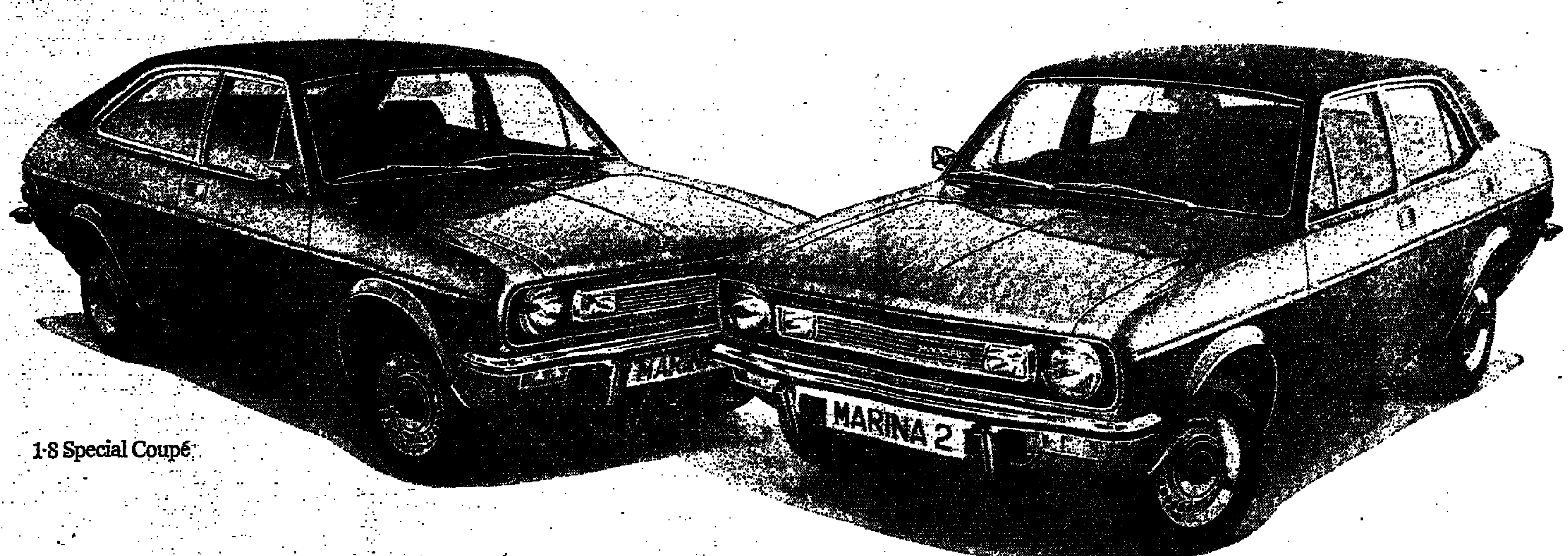
We've built in a new suspension on the Saloons and Coupés. Anti-roll bars front and rear make for firmer, more positive handling. There's improved rack and pinion steering, front disc brakes are standard on all Marinas with servo-assistance on 1.8 models. All in all you get a better drive from Marina 2 without losing Marina's famed economy.

More confidence

Every Marina is protected by Supercover, the most comprehensive after-sales commitment ever made in Britain.

No more money

And the new Marinas come to you with no increase in price; we've listed their prices on the page facing this advertisement. Look at Marina 2 in your Morris showroom. Whichever way you look at it, it's got to be unbeatable.



1·8 Special Coupé

1·8 Special Saloon

Morris

From Leyland Cars. With Supercover.

THE WHITE PAPER ON DEVOLUTION

Increasing democratic control for regions

The White Paper sets out in detailed form the proposals for elected Assemblies in Scotland and Wales which are aimed at increasing democratic control to meet the desire of people for more direct and effective involvement in the running of their own affairs.

The Assemblies will control policies and spending over a very wide field. They will administer local government, health, personal social services, education, housing, physical planning, the environment and roads, and many aspects of transport.

They will have a very large block grant from the Exchequer *and power to supplement it from* local taxation and they will have full freedom to decide how the money should be spent among the services they control.

The Scottish Assembly will also be able to make new laws *or amend present laws within* its own fields. And it will be responsible for most private and criminal law in Scotland.

All these powers will give the new administrations far-reaching influence on the environment of *Scotland and Wales. That in*fluence, together with the huge spending power which they will control, will have a very marked effect also on their economic position.

In working out their proposals *the Government have sought the* long-term advantage of the people of Scotland and Wales while maintaining the unity of the U.K.

The Government reject separatism entirely. They *speak of* the possibility that "on a narrow *economic calculation*" *Scotland* might be better off materially for a time by keeping the benefits of North Sea oil exclusively to itself. They suggest that such a calculation would at best be highly precarious. It would rest on limited reserves of a single commodity whose value varies with the world market.

The Government is convinced that the Scottish people are overwhelmingly opposed to destroying the Union. It says that the energy resources of the continental shelf belong to the United Kingdom as a whole and all the parts of the U.K. most in need will receive their full and fair share of the benefits.

Draft Bill

Work is in hand on a draft Bill. This will be published in the spring of 1976 but it will be a major Bill and it will not be feasible for it to become law in the 1975-76 session of Parliament.

The Government believes that it would be wrong to legislate in haste "on issues of such very special and lasting constitutional importance." The Bill, when published, will focus the debate more closely on specific legislative proposals. The Government will take account of this debate in further refining its proposals. It will then introduce a Bill in Parliament at the start of the 1976-77 session.

The subject is important and complex and the Government is anxious to encourage full public and Parliamentary discussion of its proposals. Ministers say they will be very willing to listen to representations. To assist public discussion a free short version of the White Paper will be published in the New Year. The Government envisages a two-stage debate. The first stage will be based on the White Paper and the second stage will be based on the Bill to be published in the spring.

There will be a single chamber Scottish Assembly. For the first election there will be 142 members, two for each of the 71 Parliamentary constituencies in Scotland, and each elector will have two votes.

These two-member constituencies are necessary for the first elections because there will not be time before then for the Boundary Commissions to draw up single-member constituencies.

For later elections there will be single-member constituencies, Parliamentary constituencies being divided for this purpose *into one, two or three Assembly* constituencies according to population. Each elector will then have only one vote, as in Westminster elections. This system will give about 138 members on present electorates.

Allowances

Everyone entitled to vote in Parliamentary elections, and also peers, will be able to vote in Assembly elections. The term of the Assembly will be a fixed *period of four years.*

Pay and allowances for Assembly Members will initially be fixed *by* the Secretary of State for Scotland. Once the Assembly has come into operation it will *itself become responsible for* settling these matters.

To run the administration in Scotland and to *sponsor* new legislation there will be a team drawn wholly or mainly from the Assembly. This team will be known as the Scottish Executive and will be headed by a Chief Executive, who will allocate to each Executive Member the responsibility for a particular subject.

A prospective Chief Executive (normally the leader of the majority party) will be invited *by the Secretary of State for* Scotland *to* form an Executive. He will then submit his list of proposed Members to the Assembly, and if the Assembly approves it the Secretary of State will formally appoint those *chosen.*

The Secretary of State will also appoint Assistants to the Executive, on the recommendation of the Chief Executive. They will not require the Assembly's approval. Changes in Members and Assistants will be made formally by the Secretary of State on the recommendation of the Chief Executive. If the latter leaves office for any reason, this will entail the resignation of the whole executive.

Within its own fields the Scottish Assembly will generally take over from Parliament the job of passing legislation. It will become responsible for existing law in these fields: it will be able to add to it, amend it or repeal it. Certain essential stages of legislative procedure in the Assembly will be laid down. The Assembly will be able to expand on these arrangements by its own standing orders.

When the Assembly is considering a Bill it will carry out its own checks to see that the Bill falls within the powers given to the Assembly by the devolution Act. The Secretary of State may be consulted on this informally.

When passed, the Bill will go to the Secretary of State who *will then examine it formally to* ensure that it is within the Assembly's powers. In the ordinary course he will then submit the Bill for Royal Assent.

Since Parliament is retaining ultimate authority in all matters it will still be able to legislate for Scotland in the devolved subjects but under the new arrangements it will normally do this only at the request or with the consent of the Scottish administration.

The Assembly will have a system of committees to advise the *Executive and investigate* what it is doing. There will be a separate committee for each area of administration—health, education, finance, and so on. The composition of these committees will reflect the political balance of the Assembly as a whole.

The relevant committee will be consulted by the Executive before major new policies or Bills are introduced. It will be able to make suggestions to the Executive and to initiate discussion and enquiries on particular topics. And in general it will *oversee the department of the* administration which works on its special subject.

The Government propose a single chamber Assembly *for* Wales also. Again, there is the problem of delay in settling new *constituency boundaries.* For the first election there will be 72 members, two for each of the 36 Parliamentary constituencies in Wales, each elector having two votes.

The electoral system proposed *for later elections,* when boundaries for the new single-member constituencies will have been fixed, will be the same as for Scotland. This will give about 75 members on present electorates.

As in Scotland the term of the *Assembly will be a fixed period* of four years. The arrangements for pay and allowances will also be the same. The Government says that the use of the Welsh language in Assembly proceedings and documents will be a matter for the Assembly itself to decide.

Parliament will continue to *legislate for Wales in all matters,* whether they fall within the fields administered by the Welsh Assembly or not.

The Welsh Assembly will not be able to pass Acts but it will have extensive powers over policy making and administration. In contrast to Scotland, these powers will be vested not in a separate Executive but in the Assembly as a whole. They will include the full range of powers now available to central government in the fields which are to be transferred.

Main link

Since the Assembly as a whole will have executive responsibility there will be maximum opportunity for all members to participate in decision-making. Most of the Assembly's work will be carried out by committees. These will cover all the main fields of administration, each committee probably taking a particular subject, such as education. Representation on the committees will reflect the political balance in the Assembly as a whole.

Each committee will have a chairman and a leader, both appointed by the Assembly. The leader will be known as the *Executive Member; he will take* the main initiative on policy and administration and will be the main link with the officials working on the committee's particular subject.

In addition there will be a central co-ordinating committee, which will be known as the Executive Committee. This will oversee policy generally and in particular control the allocation of resources. It will act for the Assembly as a whole on major issues covering several subjects, including discussions with the Government about the block grant.

The Executive Committee will consist of Executive Members from the various other committees plus a limited number of other Members appointed by the Assembly. This latter provision will ensure that the voice of ordinary Assembly members is heard when general policy decisions are being discussed. The chairman of the Executive Committee will be known as the Chief Executive.

General Constitutional Matters—Scotland and Wales

It is clear from the Government's proposals that ultimate sovereignty is not being transferred, either to Scotland or Wales. The Westminster Parliament will retain all its existing sovereign powers. This is necessary to preserve the essential unity of the country as a whole.

In keeping with this position the Government will be able to step in if they think some action of the Scottish or Welsh administration will have seriously adverse consequences for non-devolved subjects (e.g. defence) or for the people of the United Kingdom as a whole.

The White Paper states that "these general procedures for *intervening . . . are not intended* for frequent use. They will be there in the background as reserve powers; and they permit wider devolution than would otherwise be possible. Their use will require the specific agree*ment of Parliament.*"

Arguments

The Government has noted the arguments for separate Scottish and Welsh Civil Services—in particular the need for the Scottish and Welsh administrations to be able to rely on the undivided loyalty of their officials. They nevertheless believe that it would be in the best interests of all to keep a unified United Kingdom civil service.

This would foster the consultation and co-operation on which the success of devolution will heavily depend. *It would also* have administrative advantages for the Scottish and Welsh authorities; and United Kingdom status would not prevent civil servants giving them loyal service.

Any future proposal for change towards separate services would be a matter for discussion with the Scottish and Welsh administrations. Staff representatives would be consulted at all stages.

European Community

The Government will remain solely responsible for all international relations, including relations with the European Community. But as European Community and other international business touches increasingly on matters which will be dealt with by the Scottish and Welsh administrations their views will be taken into account. This will be done by consultation between the Government and the two administrations.

The Government will also be able to delegate to the administrations the implementation of European Community or other international obligations in fields for which they are responsible.

Priorities

Within the framework of continuing economic unity the financial arrangements give the Scottish and Welsh administrations freedom to run the services entrusted to them in a way which reflects their own priorities.

The scheme set out in the White Paper retains the central review of the expenditure needs of the whole U.K. and of the claims *of parts of the country* with special economic problems. The total amounts of public expenditure on devolved services must be decided in the same context as the decisions for the non-devolved services in Scot*land and Wales, and for the other* parts of the U.K.

The Government will be answerable to Parliament for its decisions, and Parliament will vote the annual block grant which will be the main source *of finance for the Scottish* and Welsh administrations. Parliament will also approve borrowing limits, to ensure that resources such as manpower and materials are not unfairly drawn to Scotland and Wales by exces*sive borrowing.*

The Scottish and Welsh administrations will put forward proposals for expenditure on *their services and will be closely* involved in the annual reviews. Once the total expenditure has been decided the administrations will settle their own spending priorities without reference to Whitehall. In particular they will decide how much of the block grant should be distributed to local authorities and how to allocate it among individual authorities.

The Government rules out any system of basing expenditure on the tax revenue arising in Scotland and Wales. It is argued that such a system would be divisive. It would benefit the richer parts of the country and weaken those whose tax yield failed to meet their expenditure needs. At present both Scotland and Wales receive more by way of public expenditure than they pay in taxation.

Discretion

Scottish and Welsh taxpayers will continue to pay U.K. taxes at U.K. rates into the central pool of national resources. They will continue to get the public expenditure they are judged to need compared with other parts of the country.

Local authorities will retain their existing discretion on the level of the rates. In addition the Scottish and Welsh administrations will be given a power to levy a surcharge on local taxation. This will enable them to supplement the block grant to meet extra expenditure for which their electorates are willing to pay more taxes. The use of this power will be at the discretion of the administrations. *The Government's aim is to give* them a measure of flexibility. The block grant will be intended to meet relative expenditure needs without recourse to the tax power.

The White Paper explains that *the long-term cost of devolution* in manpower and money cannot be calculated exactly. The initial capital cost, mainly for Assembly premises in Scotland and Wales, might be around £4m. The additional annual costs, *including* extra staff building up to perhaps 2,500-3,000, might eventually amount to around £22m. The annual costs would be covered by the block grant. Against these costs savings are expected in U.K. Departments, *particularly in relation to Wales.*

THE GOVERNMENT ***White Paper on the devolution of*** **powers to Scotland and Wales announces the setting up of new Parliaments in Edinburgh and Cardiff, but firmly maintains that the United Kingdom must remain united.**

"The U.K. will still be a single unit," it says. "The Scottish and Welsh administrations will have no separate authority in international relations. Parliament will remain ultimately sovereign in all matters, whether devolved or not, and will continue to include the present complement of Scottish and Welsh members."

Nevertheless, Ministers have attempted to devolve as much power as they feel able in order to meet the need for more direct and effective involvement of people in the running of their own affairs.

Scotland would get a law-making Assembly with a Cabinet-type Government and a Chief Executive with wide powers, while Wales would have a purely executive assembly run on a committe system with no powers to make laws.

Both would have powers over a wide range of functions including local government, health, education, roads, environment and many aspects of physical planning.

But the Westminster Government would maintain absolute control over foreign affairs; defence, national law and order, trade and economic and financial policy.

Perhaps most controversial of all, Westminster could **intervene if the Assemblies were thought to have over*stepped* their new powers or if proposed Scottish laws clashed with Government policy.**

Scottish and Welsh taxpayers would still pay into the central exchequer in London and the Assemblies would get block grants from Parliament to pay for the services they controlled. In addition, the Assemblies would be given the power to levy a surcharge on local taxation to enable them to supplement the block grant to meet required extra expenditure.

Both Assemblies would be directly elected to serve for four-year terms—at first with 142 members in Scotland and 72 in Wales, two members from each Parliamentary constituency. Any system of proportional representation has been firmly rejected and both Scotland and Wales *would* continue to send the same number of MPs to Westminster.

Although it is admitted that the cost of setting up the Assemblies is difficult to calculate, the White Paper estimates it might be around £4m. in capital costs, with running costs rising to about £22m., including the block grants from Westminster. But *savings made in U.K. departments* could offset this.

The Government intends to publish a draft Bill on its proposals next spring after reactions to the White Paper have been studied. But this would not go through all its Parliamentary stages this session. A new Bill would be *introduced* at the start of the 1976-77 session with the aim of getting it on the Statute Book during 1977.

Our Changing Future; Devolution to Scotland and Wales; SO. 95p.

QUESTIONS AND ANSWERS

Grant for devolved services

As well as the White Paper the Government yesterday published a series of questions and answers to help explain some of the more complex proposals. These included:

Q—How will the devolved services be financed?

A—By a combination of block grant voted by Parliament, local authority taxation, and borrowing by local authorities and public corporations. In 1974/75 the proportions would have been:

	Sctld.	Wales
	(£m rounded)	
Block Grant	1,300	650
Local Ath. Tax	300	90
Borrowing	500	170
Total (including loan charges met by local Aths.)	2,100	910

Q—Who will be responsible for discussions with the Government about the block grant?

A—It will be for the Scottish and Welsh administrations to decide who will represent them in these discussions. The Government will prescribe the general pattern and timetable of the talks.

Q—How will the block grant be calculated?

A—On the basis of expenditure needs in the devolved services, after full consultation with the devolved administrations on their proposals. No account will be taken of the proportion of U.K. taxes produced in Scotland and Wales, and there will be no earmarking of particular taxes, including oil revenues, for Scot*tish or Welsh use.* The block grant will be determined as an outcome of the annual U.K. public expenditure review.

Q—What proportion of public expenditure in Scotland and Wales will be under the control of the Assemblies?

A—More than half of identifiable public expenditure will be on devolved services in Scotland and Wales. The priorities for these expenditures will be settled by the Scottish and Welsh administrations, not by Whitehall.

Q—Will any part of the block grant be earmarked for particular programmes?

A—No. Once the block grant has been fixed by Parliament the Scottish and Welsh administrations will decide how it should be spent.

Q—What tax powers will be devolved?

A—The administrations will be able to supplement the block grant if they wish to incur additional expenditure by adding a surcharge to local authority taxation. But the block grant will itself fully represent the share of national resources justified by relative needs.

Rates levy

Q—How much could be raised by a surcharge on the rates?

A—On 1974-75 figures a 10 per cent. surcharge would have produced £30m. in Scotland and £9m. in Wales.

Q—Who will control borrowing?

A—*The total level of expenditure* financed by borrowing for the devolved services will be settled by the Government as part of the annual public expenditure review. But the Scottish and Welsh administrations will *control issues from the new Scot*tish and Welsh Loans Funds for leading to public corporations in the devolved fields.

Q—Will there not be an English reaction to these proposals for Scotland and Wales?

A—There are two aspects to this. First, there may be a fear that England will suffer from an unfair allocation of resources to Scotland and Wales. There is no justification for this. The purpose of devolution is not to give Scotland and Wales more *and more while England gets* less and less. Fair shares all round will be maintained, by reference to relative needs.

Second, there is the question of devolution within England itself. We are producing a consultative document on regional arrangements in England which will be published shortly. Our purpose will be to consult widely on the basis of this document in order to find out what changes the people of England might like.

Q—Why has the Government rejected proportional representation for elections to the Assemblies?

A—The present system is simple to operate, easily understood and provides for clear and direct accountability of the elected representative to his constituents. Any reform of the electoral system should be examined for all levels of government together, and not considered for the Scottish and Welsh Assemblies as a separate matter. It has been proposed that the whole question should be examined soon by a Speaker's Conference.

Q—Will Scottish and Welsh MPs continue to be able to vote at Westminster on English business in fields which are dealt with for Scotland and Wales by the Scottish and Welsh Assemblies?

A—The Kilbrandon Commission pointed out that it is impracticable to have MPs mov*ing in and out of the voting* according to the type of business being discussed: It is virtually impossible to define "English" business satisfactorily. A Government's majority could be affected by changes in the numbers *entitled to vote.* And in any case, whatever is decided for 83 per cent. of the population (England) is almost bound to affect the remainder, who ought therefore to have a say.

Q—Will the Assemblies not make Scotland and Wales over-governed?

A—The proposals do not create a large new volume of government. The Assemblies will carry out functions which are at present largely carried out by the Secretaries of State, *other Government Ministers* and the Westminster Parliament. The functions of the United Kingdom authorities will therefore be correspondingly reduced.

REACTIONS

More powers urged for the Assemblies

BY ROY HODSON

WHEN Mr. Edward Short, Lord President of the Council, answered questions at a Whitehall Press conference yesterday on what he called the most important Parliamentary reforms for centuries, he said it was a realistic forecast that the Scottish and Welsh Assemblies would be sitting by 1978.

Emphasising that the White Paper removed any doubt about the Government's commitment to devolution, he said that the document had been approved unanimously by the Cabinet.

The White Paper left a number of subjects still unresolved and awaiting further study and debate, he pointed out. Although it represented Government policy it should be looked upon as "a White Paper with green edges." (A Government Green Paper is a document produced purely for discussion.)

Mr. Short said the Government has found itself divided on two issues raised by the White Paper. One was whether or not Acts passed by the Scottish Assembly should be subject to judicial review—that is, challengeable by the courts. The second was whether ultimate control of the courts in Scotland (that is, power to limit them by Parliamentary Acts) should also be devolved.

Mr. Shore challenged the view that the proposed Assemblies will mean large new teams of civil servants. The White Paper estimates an extra staff of about 1,000 in Edinburgh and extra running costs of about £10m. a year, and an extra staff of about 800 initially in Wales (rising to 1,600 later) with running costs of about another £5m. rising to about £12m.

He disagreed with the Government's advisers about those figures and felt the figures in the *White Paper were grossly* exaggerated.

The Government's proposals were designed to satisfy the great majority of moderate people in Scotland and Wales, who clearly wished to remain part of the U.K.—not the extremists on either side.

Welsh Nationalist, Labour and Liberal opinion is favourable to the devolution proposals although almost every comment upon the document contains reservations about the limitations on the powers proposed. The Welsh Conservatives are against the policy.

Mr. Gwynfor Evans, president of Plaid Cymru and MP for Carmarthen, said the Government had blundered because the White Paper sought to deprive the Welsh Assembly of vital law-making and economic powers. Furthermore the "long and unnecessary delay" was bound to cause suspicion that the Government might shelve the proposed Assemblies.

Mr. John Morris, the Welsh Secretary, called the proposals a major advance in democracy. He told a Cardiff Press conference that neither separatism nor federalism was wanted by the vast majority of Welsh people.

Mr. Jeremy Thorpe, the *Liberal leader,* condemned the White Paper as "an absolute disaster." It would lead much more quickly to the break-up of the U.K., he declared.

Liberals had always been enthusiastic about devolution, but they wanted a federal system. "We would have liked to have felt we could give the White Paper our enthusiastic support, but it is an appalling document," he said.

Mr. William Whitelaw, Tory deputy leader, said that the proposals did not seem to measure up to the objective that the unity *of the U.K. should be preserved* and strengthened. Built-in difficulties in the White Paper would be exploited by the Nationalists.

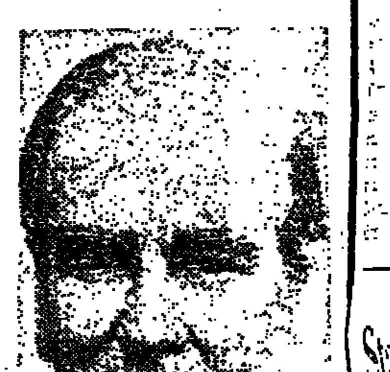
Chris Baur writes: The Government is clearly going to be under strong pressure from within the Labour movement in Scotland to make further significant additions to the list of powers it proposes to transfer to a Scottish Assembly.

While Labour party officials in Scotland dutifully welcomed the White Paper, *the Scottish TUC* published a catalogue of fundamental objections to the proposals. Its general council said the White Paper fell far short of the objective that the Assembly should be responsible for agriculture, fisheries, the Highlands and Islands Development Board and the Scottish Development Agency.

The proposal under which the Secretary for Scotland emerged as "Governor General type of figure with *sweeping powers*" would be resented, said the STUC, and could lead to frustration and confrontation.

Mr. William Ross, Scottish Secretary, said the White Paper was "probably a watershed in Scotland's political history." He recalled that the Scottish TUC had itself changed its view and had until recently strongly opposed the transfer of industrial and employment powers to an Assembly.

To confer such powers on an Assembly would "lead to chaotic competition" between regions of the U.K. which sought industrial development. None the less he hinted that the White Paper's proposals could be altered.



MR. GWYNFOR EVANS
"They have blundered."

Representations should be sent to any of the addresses set out below:

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Edinburgh

Welsh Office
Room 40/G
Cathays Park
Cardiff

Northern Ireland Office
Room 8
Stormont Castle
Belfast

Cabinet Office
Constitution Unit
Room 14/1
Great George Street
London SW1

AREAS TO BE DEVOLUTED

Handing over responsibilities

The Government's strategy is to hand over as many responsibilities as it can to the Scottish and Welsh Assemblies, the White Paper declares. Exceptions have been made only where devolution would risk the basic unity of the nation or affect the fundamental rights of U.K. citizenship.

The White Paper has some particularly forthright phrases about the ownership of North Sea oil and suggestions that oil *revenues should belong to,* and be controlled by, Scotland.

"Let there be no misunderstanding: such a proposal—whether its advocates realise this or not—would mean the break-up of the U.K.," the *White Paper states. Oil must* be treated like other national resources such as coal and gas and the benefits "brought into the national pool for distribution in accordance with relative needs."

Any other course would destroy not only economic unity but also political unity and those who wished to reserve to Scotland oil or other revenues arising there were in effect demanding a separate Scottish state.

"The circle cannot be squared: it is not possible for Scotland or any other part of the U.K. to enjoy rights which can only go with separatism yet not to have separatism itself."

In broad terms the main devolved subjects will be:

LOCAL GOVERNMENT: Most aspects of administration, including (in Scotland) local government structure: control of the rate support grant.

HEALTH: Structure and operation of the National Health Service, public health, family planning, care of young, handicapped and old, supervision of private health.

EDUCATION: Overseeing the state school system, private education policy, further and higher education—but excluding the universities—youth services, museums, libraries and the arts.

HOUSING: Control of public housing, public housing finance, subsidies to local authorities and housing associations, rents.

ENVIRONMENT: Control of land use and development; protection of countryside and rehabilitation of derelict land; parts of the community land scheme; water management, new towns, building regulations and standards, refuse disposal and (in Wales) national parks.

ROADS AND TRANSPORT: Control of planning and building of roads; traffic and (in Wales) bilingual traffic signs; road service licensing; local transport planning; bus and shipping services operated by the Scottish Transport Group; bus subsidies; (in Scotland) subsidies for internal air and shipping services; airports; canals.

ECONOMIC DEVELOPMENT AND NATURAL RESOURCES: Running all environmental functions of the Scottish and Welsh development agencies; factory building; (in Scotland) most of functions of Highlands and Islands Development Board; most *forestry; management* of agricultural estates, smallholdings and (in Scotland) crofting; farmworkers' housing regulations; freshwater fisheries, and (in Scotland) the improvement of *fishing harbours.*

Other subjects the assemblies will control include fire services, shop hours, betting, gaming and lotteries, and the fixing of public holidays and summer time.

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[illegible] 1975, the Indenture Trustee filed a proof [illegible] Since that time, you have been advised from [illegible] Chapter XI proceeding. [illegible] claims aggregating approximately $5,600,000 [illegible]

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As Indenture Trustee as aforesaid

هكذا في الاصل

THE WHITE PAPER ON DEVOLUTION

He who pays the piper

THE CRUCIAL aspect in any transfer of governmental power invariably lies in the financial arrangements that accompany it. This is the acid test which determines just how much real power the new administrative structures will possess. It also explains why it is not only Scottish and Welsh Nationalists who will be disappointed—if not positively affronted—by the limited nature of the Government's proposals.

For the arrangements outlined in yesterday's White Paper do not go a great deal further than those which used to apply in practice to the Northern Ireland Government at Stormont. The Scottish and Welsh administrations would receive a block grant from U.K. funds which they could choose to supplement—from time to time—by imposing a "surcharge" on the local rates. They would be free to determine how this income, and the proceeds of loans, should be allocated. But the total amount of the grant and the total amount of loans (including the details of any overseas borrowings) would be determined by the U.K. Government, albeit after "consultations" with the Scottish and Welsh administrations. In other words, the new administrations would be granted somewhat more autonomy than a local authority, but not all that much more.

Muscle

Yet would it really be possible to give the new Assemblies any substantially greater measure of financial muscle? Devolution is not seperatism, nor is it federalism. So long as these two options are ruled out as politically unacceptable to both the Labour and Conservative parties, there is probably no satisfactory half-way house between independence and dependence.

The stumbling block is far more fundamental than the desire to retain central responsibility for demand management. After all, countries like West Germany and the U.S. seem to get along quite well despite being encumbered with a federal constitutional structure. The real problem is a political one. No measure of really independent tax-raising power could ever be granted to a Scottish or Welsh—or, for that matter, a Northern Ireland—Assembly so long as the political and economic unity of the U.K. is regarded as inviolate (which means that seperatism is rejected) *and so long as ultimate* political sovereignity remains vested in Westminster (which means that federalism is rejected).

Ministers will also argue that there is another, more practical reason. Both Scotland and Wales currently receive more from the U.K. Exchequer than they put in. At the time of the Kilbrandon Commission, it was estimated that expenditure per head of population on the public services which were potentially devolvable was about 30 per cent. greater than the English average in Scotland and about 20 per cent. greater in Wales. As both countries also contributed relatively less taxation than England their net benefit from the present system was—and probably still is—considerable.

Real issue

To a large extent, this disparity reflects the efforts of the U.K. authorities to even up the economic imbalance between the various parts of the U.K., a responsibility which the Government argues must remain with the central administration. It also explains why, like the Stormont administration, devolution has to be put on an expenditure rather than a revenue basis: why Scotland or Wales, like *Stormont* in the 1950s and 1960s, could not be allocated the proceeds, say, of all national taxation raised in the two countries.

But this is not the real issue. Scotland's and, to a certain extent, Wales' more favourable share of U.K. public expenditure is a relatively recent phenomenon which could well disappear when (and if) the economic disparities diminish. In the meantime, there is—as the Scottish Nationalists have argued—the tax potential of North Sea oil to consider. True this, too, will not last for ever but its revenue potential could go a long way to planting the seeds of a new and possibly self-supporting Scottish economy. This option is, however, ruled out by the Government's desire to preserve the economic unity of the U.K. and to retain sovereign tax-raising powers at Westminster.

Even on an expenditure basis, the measure of devolution *which the Government is* prepared to countenance will be circumscribed by political pressures. At a rough estimate, probably up to half the total current expenditure on the services which the Government is willing to devolve to the new Assemblies is actually being expended by the local authorities in the two countries. The power of local government and the momentum of the pattern of their spending will limit the Assemblies' powers of discretion. So, too, will public familiarity with the present standards at which the devolved services are provided and, if Northern Ireland experience affords a guide, popular pressure for parity with standards in the rest of the U.K.

Nor is the power to impose a surcharge on the local rates—something which Stormont never possessed—of any real significance. Rates lack the buoyancy, or nowadays the public acceptability to be a source of real financial power. Nor, despite the hopes of many in local government, is any Government ever likely to substitute something better, like, say, a local or regional income tax surcharge.

Corrective

Judging by past form, too, the new Assemblies might not even be able to count on their block grants being free of all strings. There is to be no "objective needs-based formula" or "independent exchequer board," the devices considered by the Kilbrandon Commission to guarantee fair shares for Scotland or Wales. If the Assemblies allow the standards of certain services to fall appreciably below U.K. levels, Whitehall might well be tempted to introduce specific grants as a corrective measure. And, at times of economic crisis, the block grant could well be suddenly chopped back or—who knows?—it could even be subjected to a "cash ceiling."

Colin Jones

Less fire in Wales' dragon

RESISTING the temptation to form committees is something which Welsh people generally find very difficult. This is one reason why the Government's proposals are going to have some obvious attractions for a good cross section of the Principality.

For the new Welsh system, unlike that proposed for Scotland will, assuming the White Paper's contents are implemented without major changes, be very firmly committee-based, with groups, drawn from the new Assembly members, to cover all the main areas of devolved responsibility and to decide on policy matters and spending priorities. At the top there will be instead of a Cabinet, a super committee, consisting of the chairmen of the individual committees, headed by a chief executive.

The problem with Wales has been the need to find a scheme which will both meet aspirations for greater Welsh control over decisions affecting Wales and not alienate those who look to a strong link with the rest of Britain for security. Though it was Wales which, in 1966, elected the first of the recent wave of nationalist MPs, and though the Welsh Labour Party has been in favour of a Welsh Assembly since then, Wales' feeling of economic dependence has always been strong—and has yet to be weakened by the discovery of oil off the Welsh coast. Hence there has been concern that change should not go too far.

Compromise

One problem has been how to find a continuing role for the Welsh Secretary, and justification for his Cabinet seat, if most of his administrative powers were to be transferred to the Assembly. The solution which the White Paper outlines, with the Welsh Secretary remaining in charge of economic policy in Wales with responsibility for the Government's Industry Act powers and for the Welsh Development Agency, is clearly a compromise but one which might nevertheless prove broadly acceptable.

The main objection is that control of industrial development policy will be split, with the Assembly in charge of infrastructure—roads, factory building and other services—while Whitehall will continue to create the conditions for investment.

Criticism along these lines is certain, but the counter arguments are strong. The Assembly will be able to spend a block grant of up to £1bn. a year and will, presumably, have enough to do in adapting to its tasks in the fields of health and education, local government, personal social services, housing, roads, water tourism and various other areas.

The significant difference between the Welsh and Scottish Assemblies is that the former will not be a legislature. This stems in part from Scotland's separate legal system, but it is also clear that the Government believed a more positive response had to be made to nationalist pressure in Scotland. So whereas the Scottish body will be quasi-parliamentary, the Welsh Assembly is more like a local authority with executive powers vested in the corporate assembly and not in a separate executive responsible for sponsoring policies.

The existence of the two different systems will provide a basis for comparing which is the most effective way of carrying out the main task of both Assemblies — deciding how to allocate the resources Westminster votes for the two countries.

Question

For Wales, the important question is whether the Government has now come up with the right structure for the Principality within the U.K. On balance, very many people in Wales are likely to feel that the proposals will help to meet Welsh aspirations without endangering Wales's influence in overall U.K. policy-making. Whether a lasting framework has been created is another matter. The Assembly's success in handling the areas entrusted to it is likely to be the crucial factor in determining whether a demand for wider economic powers arises at some point.

Rhys David

State pay has raced ahead, report shows

BY WILLIAM KEEGAN, ECONOMICS CORRESPONDENT

The view that public sector pay moved away ahead of earnings in the private sector during 1974-75 is supported by an independent assessment published in the November review of the National Institute of Economic and Social Research.

According to Mr. A. J. H. Dean, a member of the NIESR research staff, public sector wages last year moved "a long way ahead of private sector earnings in an unprecedented fashion."

The public versus private sector wages debate is often confused by timing differences, which Mr. Dean has attempted to surmount by covering an extensive period—from 1950 to 1975.

He finds that earnings in both sectors moved closely together throughout the 1950s and 1960s.

But, in the 1970s, "the two series ceased to move as closely together and in 1974 they diverged considerably with public sector earnings moving a long way ahead of private sector earnings in an unprecedented fashion."

Throughout the period there were significant differences in the cyclical behaviour of the series, with public sector earnings rising faster than the private sector in the downswing, but by less in a recovery period.

Mr. Dean notes that "we have now entered a new phase of incomes policy during which relative pay rates in the two sectors might be expected to remain stable."

But he warns. "If public sector workers manage to achieve the £6 maximum (as seems likely) whilst some private sector workers do not, then the relative position of the public sector must continue to improve."

Mr. Dean establishes what will be regarded as a staggering difference in the figures for two sectors in an analysis of public and private sector settlements during the first six months of 1975.

Taking statistics from Incomes Data Reports, he puts the average settlement in January-June this year at 33 per cent., with the private sector average at 30.3 per cent. and the public sector's at 41.0 per cent. The data cover 4.7m. workers in the private sector and 1.5m. in the public sector.

Continuing incomes policy needed, says economist

THE GOVERNMENT will have to make incomes policies a permanent feature of life if the social distress caused by rapid inflation or very high employment is to be avoided.

This view that incomes policy is here to stay is propounded in the latest quarterly review of the National Institute of Economic and Social Research by Mr. John Bispham, retiring editor of the review.

In a sweeping attack on recent critiques of the "conventional" economics with which the NIESR is closely identified, Mr. Bispham argues that: "The relatively painless monetarist cure for inflation is not a real alternative."

Mr. Bispham maintains that to have a lasting effect on inflation rates, the monetarist solution would involve a return to the employer/employee bargaining relationship of the 1930s, which is "not on" politically or socially.

The author, who has recently taken up a post at the Bank of England, continues: "It is not realistic to assume that organised labour would always refrain voluntarily from using the power which the high-employment Welfare State has given it — especially in the context of current wage bargaining practices.

"Some form of explicit social control over incomes is required to offset the implications of the 'shift in the balance of power,'" he adds.

According to Mr. Bispham, monetarist findings relating inflation rates to the lagged effects of money supply growth can be turned on their head — "the correlation seems to work the other way — with inflation *leading* the money supply."

Mr. Bispham argues that the "trade off" between unemployment and price stability is on a much larger scale than the monetarists believe, and that "the choice is much starker."

"It lies between a return to something like the pre-war order of things and a change in the methods by which incomes from employment are settled."

He says that an attempt to make the labour market "work" might well involve "restricting both the scale of and entitlement to unemployment benefit."

Mr. Bispham also has some harsh words to say about the "New Cambridge" School of economics, popularised by former Treasury forecaster Mr. Wynne Godley in his appearances before the Parliamentary committee on public expenditure.

He maintains that the Cambridge equation relating changes in the U.K. balance of payments position to previous movements in the Budget dificit has "broken down massively" in the last two years.

Le Bal paré (the Allemande) engraving by Duclos

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LEEDS CITY COUNCIL
DEPARTMENT OF FINANCE
BUDGETS—INVESTMENTS SECTION

CHIEF LOANS OFFICER (Quote ref. B411F.T.)

Grade PO2(H) £6,396-£7,074 p.a.

The City of Leeds is the largest Metropolitan District in the area and the second largest in population (750,000). The City has a loan debt of over £300 million.

The Chief Loans Officer is the Head of the Section dealing with all aspects of Local Authority borrowing.

The Council is its own Registrar

Experience is desirable in Stock Exchange Issues and procedures, Government Loans, Bills of Exchange and all aspects of dealing daily and extensively in the London Money Market for both short and longer term loans.

A strong personality is needed and the ability to talk to and negotiate *powerfully with bank lenders and moneybrokers. The Council has* established connections and reputation with all the main operators in the market.

The Section is organised for speed of operation and is computerised for half yearly interest payments

Written applications with details of age, experience in Local Government and/or Commerce and/or the City with professional qualifications to Director of Finance, Leeds City Council, Civic Hall, Leeds LS1 1JF. Closing date: 12th December, 1975

LEEDS

HALIFAX BUILDING SOCIETY

require an

ASSISTANT INVESTMENTS MANAGER

to join a small investment team at the Society's Head Office in Halifax and to specialise in the day to day management of the equity portfolio of the Society's pension funds.

Experience in equity investment with either a broker or financial institution would be an advantage although consideration will be given to a candidate with a suitable financial background and who has a particular interest in this field.

The Society offers good working conditions and staff benefits and the salary negotiated will depend upon age and previous experience but will be in the region of £3400-£4600.

Replies should be marked confidential and be addressed to Assistant General Manager (Staff), Halifax Building Society, PO Box 60, Halifax, West Yorkshire HX1 2RG.

GRIEVESON, GRANT AND CO.

have a vacancy for an
ENGINEERING ANALYST

preferably with both industrial and investment experience. Knowledge of the Textile Industry would also be an advantage. A high salary will be available for the right applicant, who must have the ability to put his ideas over to both colleagues and clients. There is a non-contributory pension scheme and the opportunity in due course to share in the firm's profits.

Write in confidence to the Staff Partner, Grieveson, Grant and Co., G.P.O. Box No. 191, 59 Gresham Street, London EC2P 2DS, giving full details of education and career to date.

LEGAL NOTICES

No. 003829 of 1975

In the HIGH COURT OF JUSTICE Chancery Division Companies Court. In the Matter of METROPOLIS HOTELS (KENSINGTON) LIMITED and in the Matter of the Companies Act, 1948.

NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 18th day of November 1975, presented to the said Court by KATZ PERKINS & BURDEN LIMITED whose registered office is situate at Dorland House, 18-20 Regent Street, London SW1Y 4PY and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London WC2A 2LL, on the 15th day of December 1975 and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of hearing, in person or by his counsel, for that purpose; and a copy of the Petition will be furnished by the undersigned to any creditor or contributory of the said Company requiring such copy on payment of the regulated charge for the same.

BRECHER & CO.,
78 Brook Street,
London W1Y 2AD.
Solicitors for the Petitioner

NOTE.—Any person who intends to appear on the hearing of the said Petition must serve on, or send by post to, the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or, if a firm, the name and address of the firm and must be signed by the person or firm, or his or their solicitor (if any) and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 12th day of December 1975.

No. 003867 of 1975

In the HIGH COURT OF JUSTICE Chancery Division Companies Court. In the Matter of SEC SOUTH-EAST CARRIERS LIMITED and in the Matter of the Companies Act, 1948.

NOTICE IS HEREBY GIVEN, that a Petition for the Winding-up of the above-named Company by the High Court of Justice was on the 21st day of November 1975, presented to the said Court by CLIFFORD ROY GLASSOCK of 17 Warren Drive, Hornchurch, Essex, and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London WC2A 2LL, on the 15th day of December 1975: and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of the hearing in person or by his Counsel, for that purpose; and a copy of the Petition will be furnished by the undersigned to any creditor or contributory of the said Company requiring such copy on payment of the regulated charge for same.

NORTON ROSE BOTTERELL & ROCHE,
Kempson House,
Camomile Street,
London EC3A 7AN.
(Ref. CR 41 R6785).
Solicitors for the Petitioner.

NOTE.—Any person who intends to appear on the hearing of the said Petition must serve on, or send by post to, the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or if a firm, the name and address of the firm and must be signed by the person or firm, or his or their solicitor (if any) and must be served, or if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 12th day of December 1975.

No. 003857 of 1975

In the HIGH COURT OF JUSTICE Chancery Division Companies Court. In the Matter of L. A. M. HOLDINGS LIMITED and in the Matter of The Companies Act, 1948

NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 24th day of November 1975, presented to the said Court by THE GUARDIAN AND MANCHESTER EVENING NEWS LIMITED whose registered office is situate at 164, Deansgate, Manchester, M60 2RD, and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London WC2A 2LL, on the 12th day of January 1976, and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of hearing in person or by his counsel, for that purpose; and a copy of the Petition will be furnished by the undersigned to any creditor or contributory of the said Company requiring such copy on payment of the regulated charge for the same.

Wm. F. PRIOR & CO.,
Temple Bar House,
23/28, Fleet Street,
London EC4Y 1AA.
Solicitors for the Petitioner.

NOTE.—Any person who intends to appear on the hearing of the said Petition must serve on, or send by post to, the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or, if a firm, the name and address of the firm and must be signed by the person or firm, or his or their solicitor (if any) and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 9th day of January 1976.

In the Matter of GUILDFORD TAPES AND CALCULATORS LIMITED and in the Matter of The Companies Act, 1948.

NOTICE IS HEREBY GIVEN, that the creditors of the above-named Company, which is being voluntarily wound up, are required, on or before the 15th day of January, 1976, to send in their full Christian and surnames, their addresses and descriptions, full particulars of their debts or claims, and the names and addresses of their Solicitors (if any), to the undersigned, BRIAN MILLS, of 1, Wardrobe Place, Carter Lane, London, E.C.4, the Liquidator of the said Company, and, if so required by notice in writing from the said Liquidator, are, personally or by their Solicitors, to come in and prove their debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved.

Dated this 21st day of November, 1975.
BRIAN MILLS
Liquidator.

COMPANY NOTICES

JARDINE SELECTION N.V.

The Supervisory Board and management of Jardine Selection N.V. ("the Company") have resolved that the Company should offer to repurchase from holders of its shares a further part of their holdings. Subject to the terms and conditions contained in the repurchasing memorandum dated 28th November, 1975 and the accompanying acceptance form, shareholders may have up to 5 per cent of their holdings repurchased on 9th December, 1975 at a price per share payable in U.S. dollars of 90 per cent of net asset value on that date. For the information of the shareholders, the net asset value of a share in the Company as at 21st November, 1975 was U.S.$12.66.

Copies of the repurchasing memorandum and the acceptance form may be obtained from the office of Amsterdam-Rotterdam Bank N.V. at 595 Herengracht Amsterdam, Dewaay Luxembourg S.A. at 47 Boulevard Royal Luxembourg, and Nationale Trust Maatschappij (Nederlandse Antillen) N.V., P.O. Box 640, Middenstraat 4, Willemstad, Curacao, Netherlands Antilles.

By order of the Supervisory Board.
P. L. A. JAMIESON,
November 28th, 1975. Delegate Member.

M.L. HOLDINGS LIMITED

8¼% DEBENTURE STOCK 1988-93

NOTICE IS HEREBY GIVEN that the Transfer Books and Registers of Members will be CLOSED from the 12th December to the 22nd December, 1975, both dates inclusive.

By Order of the Board.
C. H. JONES, Secretary.

THE UNION COLD STORAGE OF SOUTH AFRICA LIMITED
(Incorporated with limited liability in the Republic of South Africa)

DIVIDEND NO. 27

NOTICE IS HEREBY GIVEN that Dividend No. 27 of 22 cents per share has been declared payable to shareholders registered in the books of the Company at the close of business on 12th December, 1975.

The Dividend is declared in the currency of the Republic of South Africa and Warrants in payment will be posted on or about 16th January, 1976 from the Head Office and the London Office.

Payment from the London Office will be made in United Kingdom currency at the rate of exchange between the two currencies at which the funds to meet payment from the London Office will be remitted on 12th December, 1975.

A Non-resident Shareholders' Tax of 15% will be deducted from dividends payable to shareholders whose addresses in the Share Registers are outside the Republic of South Africa. Warrants despatched from the London Office to persons resident in Great Britain or Northern Ireland will be subject to deduction of United Kingdom Income Tax at a rate to be arrived at after allowing for relief in respect of overseas taxation.

The Transfer Books and Register of Members of the Company will be closed from 13th to 21st December, 1975 both days inclusive.

BY ORDER OF THE BOARD,
AFRICAN FINANCE CORPORATION LIMITED,
London Secretaries
per: A. T. Tickner.

London Office:
67 London Wall,
London EC2P 2JT
27th November, 1975.

LONDON STOCKBROKERS

require

PARTNERS ASSISTANT

preferably with investment experience to assist Partners with private clients portfolios. Salary by negotiation. Usual benefits. Preferred age 20-35. *Please write Box A.5338, Financial Times, 10, Cannon Street, EC4P 4BY.*

ART GALLERIES

ROYAL ACADEMY OF ARTS. Landscape masterpieces from Soviet museums. Until 30 November. Wkdys. 10-6, Suns. 2-6. Adm. 50p (Mondays 30p) Students and pensioners half price.

WILDENSTEIN. FOUR PAINTERS OF 20th-CENTURY GREECE. THEOPHILOS KONTOGLOU GHIKA TSAROUCHIS. Weekdays 10-5.30, Saturdays 10-12.30 Until 5th December. Admission free. Catalogues sold in aid of the National Trust for Greece. 147, New Bond St., W.1.

BEDFORD HOUSE GALLERY. BERNARD SINDALL SCULPTURE. 195, Kensington Church Street W.8. 01-229 8150. Tue.-Sat. 10.00-1.00 2.00-6.00.

ROYAL ACADEMY OF ARTS, Piccadilly, W.1. Midland Bank British Press Pictures Awards 1975. Award-winning photographs. 20 Nov - 5 Dec. Wkdys. 10-6 Suns. 2-6. Admission FREE.

NOTICE OF REDEMPTION

Consorzio Di Credito Per Le Opere Pubbliche
(Public Works Credit Consortium)

Public statutory body established by Decree—Law No. 1627 of September 2, 1919, converted into Law No. 488 of April 14, 1921.

U.S. $50,000,000 7¼% 20-Year Guaranteed Bonds of 1970
Special Series Due January 1, 1990 Guaranteed by The Republic of Italy

NOTICE IS HEREBY GIVEN that pursuant to Article 3 (a) of the Terms and Conditions of the above-mentioned Bonds and in conformity with the Paying Agency Agreement dated as of December 18, 1969, U.S. $2,500,000 in principal amount of the above Bonds will be redeemed on January 1, 1976, at par (the redemption price) together with accrued interest thereon to said redemption date.

The serial numbers of the Bonds to be redeemed are set forth below in groups from one number to another number, both inclusive:

Serial Numbers	Serial Numbers	Serial Numbers	Serial Numbers
2801 through 2850	19451 through 19500	30701 through 30750	40701 through 40750
3201 through 3250	19501 through 19550	31351 through 31400	43301 through 43350
3301 through 3350	19851 through 19900	31951 through 32000	43351 through 43400
4601 through 4650	21201 through 21250	33401 through 33450	44251 through 44300
4751 through 4800	21451 through 21500	34851 through 34900	44651 through 44700
6101 through 6150	21651 through 21700	34901 through 34950	45551 through 45600
7351 through 7400	22451 through 22500	35101 through 35150	45851 through 45900
11801 through 11850	23251 through 23300	35401 through 35450	46101 through 46150
12101 through 12150	24051 through 24100	35651 through 35700	46251 through 46300
12351 through 12400	25951 through 26000	36001 through 36050	46301 through 46350
13901 through 13950	26101 through 26150	37251 through 37300	49951 through 50000
18351 through 18400	26201 through 26250	39551 through 39600	
19351 through 19400	28201 through 28250	39601 through 39650	

Interest on the Bonds to be redeemed will cease to accrue from and after January 1, 1976. On such date the redemption price will become due and payable on each of said Bonds and payment therefor together with accrued interest will be made at any one of the following banks:

The Chase Manhattan Bank
(National Association),
Agency Division
1 New York Plaza
New York, New York 10015

Banque Internationale à Luxembourg S.A.
2, Boulevard Royal
Luxembourg, Grand Duchy of Luxembourg

Banca Commerciale Italiana S.p.A.
Piazza della Scala, 6,
Milan, Italy

Deutsche Bank A.G.
5-11 Junghofstrasse
Frankfurt a/M, Federal Republic of Germany

upon presentation and surrender of said Bonds with all coupons attached maturing after said redemption date (Coupon No. 13 and subsequent). In the event that any such coupon is not so attached, the amount of said coupon will be deducted from the redemption price. Coupons which shall mature on, or shall have matured prior to, said redemption date should be detached and surrendered for payment in the usual manner. If any of the Bonds to be redeemed are registered as to principal, payment of the redemption price therefor will be made only at The Chase Manhattan Bank (National Association), at the address mentioned above, except that Banca Commerciale Italiana, S.p.A., at the address mentioned above, is also authorized to make payment of the redemption price on any of the Bonds to be redeemed that are registered as to principal and owned by an insurance company doing business in the Republic of Italy.

Consorzio Di Credito Per Le Opere Pubbliche

By The Chase Manhattan Bank (National Association),
American Paying Agent

Dated: November 28, 1975.

ANGLOVAAL GROUP OF COMPANIES

DECLARATION OF ORDINARY (and Participating Preference) DIVIDENDS

DIVIDENDS HAVE BEEN DECLARED payable to holders of ordinary and participating preference shares registered in the books of the undermentioned companies at the close of business on 19th December 1975.

The dividends are declared in the currency of the Republic of South Africa. PAYMENTS from London will be made in United Kingdom currency and the date for determining the rate of exchange at which the currency of the Republic will be converted into United Kingdom currency will be 22nd December 1975 or such other date as set out in the conditions subject to which the dividends are paid. These conditions can be inspected at the registered office or office of the London Secretaries of the companies.

WARRANTS in payment of the dividends will be posted on or about 3rd February 1976.

THE REGISTERS OF MEMBERS of the companies will be closed from 20th to 26th December 1975, both days inclusive.

All companies mentioned are incorporated in the Republic of South Africa.

INTERIM DIVIDENDS (Ordinary, unless indicated otherwise)

NAME OF COMPANY	Dividend number	Amount per share in South African currency	Remarks
		cents	
Anglo-Transvaal Consolidated Investment Company, Limited (Participating preference)	43	17.5	Being 5 cents in respect of the fixed rate of 5% per annum for the half year ending 31st December 1975 and 12.5 cents, being 50% participation in the interim dividend of 25 cents declared on the ordinary and "A" ordinary shares.
Anglo-Transvaal Consolidated Investment Company, Limited (Ordinary and "A" ordinary)	60	25	
Eastern Transvaal Consolidated Mines, Limited	51	5	
Hartebeestfontein Gold Mining Company Limited	48	85	
Zandpan Gold Mining Company Limited	7	14.25	

FINAL DIVIDENDS (Ordinary)

NAME OF COMPANY	Dividend number	Amount per share in South African currency	Remarks	Estimated profit after taxation and deduction of minority interests (where applicable) 1975	1974	Dividend (including preference if applicable) 1975	1974
		cents		R	R	R	R
Associated Manganese Mines of South Africa Limited, The	73	60	Final, making 90 cents for the year	15 734 000	7 835 000	2 881 000	1 311 000
Consolidated Murchison Limited	62	60	Final, making 80 cents for the year	Consolidated 6 796 000	11 784 000	3 328 000	5 408 000

A separate dividend declaration by Middle Witwatersrand (Western Areas) Limited has also been announced today.

By Order of the Boards
ANGLO-TRANVAAL CONSOLIDATED INVESTMENT COMPANY, LIMITED
Secretaries
per: E. G. D. GORDON
Registered Office:
Anglovaal House,
56 Main Street
Johannesburg

London Secretaries:
Anglo-Transvaal Trustees Limited
295 Regent Street
London W1R 8ST
27th November 1975

THE PERAK RIVER HYDRO-ELECTRIC POWER CO. LTD.

(and its subsidiary company—The Kinta Electrical Distribution Co., Berhad)

Year to 31st July: (£'000)	1975	1974	1973
Revenue from sale of Electricity	15,490	11,615	9,304
Net Profit after Taxation	595	987	1,471
Capital Employed	14,333	13,865	13,561
Ordinary Dividend Rates on:—			
Capital Employed	5.81%	5.47%	5.32%
Issued Capital	26.675%	24.25%	23.1%
Units sold (millions)	1,027.5	1,000.5	974.7

Extracts from the circulated statement of the Chairman, Mr. Hugh G. Balfour

GOVERNMENT ACQUISITION Work is well advanced on the lengthy and detailed assessment of the value of the assets of the undertaking in Malaysia in order to arrive at the price to be paid by the Malaysian Government in accordance with the provisions of the Concession Agreement. I hope that the somewhat complex valuations may be completed within the next few months, and I am not at present in a position to give any indication of the eventual price to be expected.

GROSS REVENUE Operating results are less by 7.22 per cent. than the previous year but total units sold were 1,027.5 millions, an increase of 2.7 per cent over 1974. Gross revenue at £15,489,867 is 26.8 per cent. greater but higher operating costs account for a reduction of £175,561 in the Net Operating Profit of £1,741,571 (£1,917,132 last year), after adjustment for currency conversion.

The Annual General Meeting was held on Thursday, 27th November, 1975, at Management House, Parker Street, London, WC2B 5PS. Copies of the Report and Accounts are obtainable from the Secretary at this address.

Selling the Japanese an exotic foreign product

BY CHARLES SMITH, FAR EAST EDITOR, IN TOKYO

THE WORD MACKINTOSH has meant something you wear to keep off the rain to the Japanese for at least the past five decades. It now means something else as well. From the end of 1973 Mackintosh's Kit Kat started appearing on Tokyo supermarket shelves and this week the product went national with the formal inauguration of Kit Kat sales in the southern island of Kyushu. Japan is the only country in the world which eats Mackintosh's Kit Kat instead of Rowntree's. It was realised at the Rowntree Mackintosh headquarters in York that the first half of the company's name would mean nothing to anyone—except as a pronunciation problem — in Tokyo whereas the second was already a household word. The Mackintosh Kit Kat which is manufactured outside Tokyo by the confectionery company, Fujiya, is so like the Rowntree original that it takes a Rowntree Mackintosh taste expert to tell the difference—and some experts say the Tokyo product is better.

Import quota

Rowntree Mackintosh started direct exports of confectionery to Japan in the early 50's, when its local agent, Dodwell and Company, managed to secure a slice of the post-war confectionery import quota for its Quality Street assortment. QSA, as they call it in Tokyo, grew steadily as a popular Japanese gift item (although at triple the U.K. price) until two years ago when imports hit 900 tons. But Japan's import recession coupled with Britain's inflation has been hard on Quality Street sales and Rowntree Mackintosh thinks it will be lucky to bring in 600 tons this year. Its setback in imports, which at the best of times have to surmount a 35 per cent. Japanese import duty on confectionery, has however, been more than counterbalanced by the success of its licensing arrangement with Fujiya. This now covers not only Kit Kat but Mackintosh toffees and Polos and it may spread before too long to other products in the Rowntree Mackintosh range.

The Fujiya deal is earning Rowntree Mackintosh roughly half what similar licences are earning the company in the U.S., but more than the revenue from any other country where Rowntree products are made under licence. The company concedes it "could" have formed a joint venture in Japan to manufacture its products, in which case it would have been earning dividends as well as royalties on the products made by Fujiya. It is company policy, however, only to operate wholly-owned overseas subsidiaries or, at a pinch, subsidiaries in which the local partner is very definitely in the minority. Wholly owned subsidiaries, while no longer ruled out by Japan's liberalised foreign investment controls, usually represent a tricky proposition in Japan, and Rowntree Mackintosh evidently preferred not to take the risk.

Partnership

Its partnership with Fujiya, a family-concern but the fourth largest Japanese confectionery manufacturer, gave it instant access to a nationwide distribution network, a reservoir of technical expertise which would have been hard to assemble on the open market, and an easy way round the bureaucratic and administrative problems which tend to beset foreign manufacturers operating in Japan. Fujiya hopes to sell 5,000 tons of Kit Kat next year (at 80 yen a packet which is more than double the U.K. price of 5p but only a little more than half what Kit Kat would have cost if it were shipped directly from Britain).

The Japanese advertising agency which handles Fujiya's products has just finished shooting a series of commercials in and around York in which English girls post Kit Kat bars in pillar boxes and oarsmen munch Kit Kat bars on the River Ouse. The films, made by an all-Japanese crew, cost £25,000 to make. Rowntree Mackintosh's sales director, Mr. James F. Main, says he thinks that Hakuhodo, the Japanese agency, could ship them back to England to help advertise Kit Kat in its home country.

Rowntree Mackintosh has left very little to chance in getting Kit Kat and Polos launched in Japan. Apart from the inevitable training sessions for Japanese engineers in York and long spells of work by British engineers in Tokyo the company went to the trouble of "running in" at its York works some of the machinery installed to make Polos at Fujiya's Tokyo factory. There is no permanent Rowntree Mackintosh man overseeing operations at Fujiya, but 11 executives from the company have visited Japan, so far, in 1975 and there will be two more visits before the end of the year. The reverse flow of visitors includes a team of Fujiya retailers and wholesalers who will be visiting York shortly to see how the product is made as well as making a tour of Scottish golf courses.

Rowntree Mackintosh is far from having given up hope on the direct exports front. The company has held its prices steady for Quality Street this year, after letting them rise by 20 per cent. in 1974. It hopes to get Quality Street sales back to 750 tons in 1976 and perhaps 1,000 in 1977—by which time there is a reasonable chance that the Tokyo round of Gatt negotiations may have brought about a cut in Japan's discouraging high rate of duty on confectionery imports. The other item on the company's agenda is to launch "After Eight" mints and "Black Magic" chocolates as prestige gift items in Japan in the same way as was done for Quality Street.

Refrigerated

After Eight's cost Yen 700 (over £1) for a small box in the average Tokyo department store, which is not exactly cheap considering that you can buy a bar of Japanese chocolate weighing about the same amount for 450 yen or less. They also have to be refrigerated both on the voyage from Britain and when they are stored in Tokyo. But Japanese consumers have always had a weakness for exotic foreign products and there is a theory that some shoppers actually enjoy paying through the nose for what they think is an exclusive product. Selling quality goods at quality prices certainly seems to have been the key to Rowntree Mackintosh's emergence as the biggest exporter to the Japanese sweets market.

Nicholas Leslie describes a strategy which succeeded in the textile recession

Conservatism pays off

IF YOU WANT a pair of socks or a sweater bearing the "Cox-Moore" label you will have to pay quite a price and will have to go to a quality store—Harrods or Austin Reed for example — to get them.

The label belongs to a private textiles concern based at Long Eaton, near Nottingham. It is a company which seems to be showing relative strength in a currently depressed industry, and this despite specialising in the expensive end of a specialist —men's and boys'—market.

It is clearly feeling the draught since pre-tax profits of some £120,000 on a £2m. turnover are expected this year—the company's 50th anniversary —compared with £250,000 in its best year. But Mr. Richard Moore, the managing director, is not overly worried about being able to ride out the downturn. In explanation of the company's position he puts forward a number of pertinent reasons — but feels the prime answer lies in the quality of the product.

Mr. Richard Moore at the Long Eaton plant. Leonard Burt

Quality

The company has endeavoured to maintain a high standard of quality ever since it was founded by the present chairman, Mr. A. J. Moore—Mr. Richard Moore's father—in 1925. His two colleagues at that time were Mr. H. H. Cox, a chartered secretary, and Mr. William Shipstone, a knitting machine specialist, and the business began in Nottingham with a staff of 12 making men's half hose as they describe them in the trade—they are generally called socks outside of it.

One of the first ranges of socks was an all-wool Argyle pattern, a style which to this day remains a firm favourite, particularly, it appears, among the golfing enthusiasts.

Nottingham proved to be only a short-term home as three years after it was set up, a fire destroyed its premises and the move to Long Eaton was made. Then, almost immediately, another testing time had to be faced with the great slump of 1929, but despite the economic pressures Mr. Moore stuck to his belief in quality and survived.

Cox-Moore remained in the production of socks only until after the Second World War. A change came as a result of experience gained in manufacturing for the armed forces in the war and production of sweaters started in 1946 at a new factory at nearby Ilkeston, which included hand-framed knitwear.

The company had for a long time concentrated on export markets and a peak export ratio of 80 per cent. of production was reached in 1946. This dropped with the expansion of the home market, but sales overseas still account for a majority of production and the company received in 1968 the Queen's Award to Industry for export achievement.

Towards the end of the 1940s the decision was taken to break into the retail sector—until that point all production had gone to wholesalers. This meant that much larger stocks would be required and to get the operation under way finance was sought from the Industrial and Commercial Finance Corporation—since then, further finance from ICFC has from time to time been sought for new plant and buildings and the company must be one of ICFC's earliest customers.

A major milestone in the company's expansion came with the opening in June, 1966, of a £100,000 extension to the Long Eaton works which enabled a much wider range of product to be manufactured.

Waste

The company's two factories make two distinct types of product. At Ilkeston, cut and sewn knitwear is also made, this being a process whereby the article is in effect cut to shape—this results in a certain degree of waste of raw material. On the other hand, Long Eaton makes only the fully-fashioned product which means that a sweater is knitted to shape on a machine. This leads to less waste, which is a necessity when one is talking, for example, of a Cashmere sweater which may retail for more than £20.

While quality forms the backbone of the company's philosophy, Mr. Moore points out that it requires more than just that to ensure that the company stays in line or ahead of the competition. Continual appraisals of existing and potential markets are required, together with maintenance of close contacts with customers. Also, it is essential that stocks are kept continually available, with the customer being fully aware of the availability.

In this respect, an innovation which the company has introduced over the past year is a regularly updated chart which is supplied to customers showing the stock situation and delivery time of any one of the company's range of products. Also, a small booklet with sketches of new spring or autumn ranges, together with samples of materials in which the article is available has proved successful.

But this does not necessarily explain why, for instance, Cox Moore can claim to be managing quite well in the present climate while one of its major competitors, Pringle of Scotland (the other is Alan Paine, of Godalming, the men's and boys' knitwear specialists), is suffering, with its parent company, Dawson International, currently in the middle of a programme of retrenchment.

The answer to that may lie in the very conservative policy adopted by Cox Moore. Whereas Dawson has been hit not only by the textiles recession, but also by the backlash of some of its more recent investments overseas, Cox Moore can be said to have stuck rigidly to what it knows and to what it has built up steadily by internal growth.

Mr. Moore readily admits to conservatism and feels that it is a policy that has stood the company in good stead. At the same time, he feels that he has been able to balance traditional lines with more up-to-date designs and ideas without getting directly into the very competitive end of the fashion market.

The company is solely in men's wear—catering neither for the children's market nor for women. There was a brief venture into women's knitwear some five years ago, but it was decided that this was too fickle a market for a company which wanted to maintain both high quality and profitability and a quick withdrawal took place.

Exports

As far as current plans are concerned Cox Moore aims to concentrate on developing business on the Continent. While the U.K. will obviously remain a major market, Mr. Moore explains that overseas markets are essential since the number of quality outlets in the U.K. is diminishing.

Japan figures as part of the marketing strategy, although this has only begun to develop more recently. There are also hopes of expanding in the Middle East where markets are already beginning to develop in such countries as Libya. The U.S. is an existing outlet, but being particularly price-conscious cannot be expected to have much current potential.

As for new products, these will clearly come very gradually. A step in a new direction is being taken in the Spring with a knitted shirt. But that will be solely a marketing operation of shirts manufactured in Switzerland and it will obviously have to be a very big success to tempt the company into manufacturing them itself.

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FRIDAY, NOVEMBER 28, 1975

A surplus of government

THE SECOND of the questions contained in the Press brief issued yesterday to accompany the Devolution White Paper is the simple and basic one, Why have devolution at all? The answer given is that "devolution will increase democratic control, bring government closer to the people, and recognise more fully the special national characteristics of Scotland and Wales." That devolution could bring about such a result, we agree: and we are therefore supporters of devolution in principle, provided that it carries no present or immediate threat to the unity of the kingdom. Yet we also recognise that to devise schemes of devolution that will satisfy the main object without offending against the essential proviso will be difficult, especially in the case of Scotland.

This difficulty is greatly increased by the fact that there is a second answer to the question, Why have devolution at all?, which is not mentioned in the Press briefing. This answer consists basically in the fact that all the established political parties have an interest in the growth of Scottish and Welsh nationalism and its effect on their own representation at Westminster. The Labour Party in particular, has been under strong pressure to make sufficient concessions to Scottish Nationalist sentiment to prevent the loss of more Parliamentary seats. The need to make political calculations of this kind must multiply the intrinsic difficulty of the task.

Scottish feeling

The proposals for Wales are likely to arouse far less controversy than those for Scotland. Without ignoring the fact that Scottish nationalism has been largely fuelled by the discovery of oil in the North Sea and they still have hopes of their own in the Celtic Sea, the majority of the Welsh people are firmly against any kind of separatism and will probably be content with the establishment of an Assembly which gives elected representatives a chance to do the work that has until now been largely done through nominated committees and to take Welsh interests fully into account over a wide range of policies.

In Scotland, the case is quite different. Although the Scottish Assembly is to be given very large powers, the Government's correct insistence on the economic and financial unity of the Kingdom will annoy both the Nationalists and those members of the Scottish Labour Party whose uneasiness was already apparent when it became known that the legislation was not to be passed in the present session of Parliament.

Local Government

That is not to say that the SNP will necessarily reject the White Paper proposals out of hand. It can claim them as the first result of its pressure, play on the feeling that Scottish oil should be used for the good of Scotland alone, and then work for a gradual extension of Scottish independence. Given that the proposals eventually go through in something like their present form, therefore, the Government in Westminster will have to be constantly on the watch against action that is *ultra vires*, and so will Scottish MPs at Westminster.

This leads on to the question of overlapping spheres of authority which, with the vague proposals made for the Assemblies to raise independent revenue of their own, is the main uncertainty arising out of the White Paper. The reorganisation of local government is too recent for yet another early reorganisation to be practicable. Yet, with proposals for regional arrangements in England as well as in Wales and Scotland soon to be put forward and new links with the EEC being constantly forged, there is a very real danger—as the Prime Minister himself suggested publicly a week or two ago—that the country will become over-governed. If these Assemblies are established, it seems inevitable that there will sooner or later have to be another reorganisation of local government which, one hopes, will be less expensive than the last. In such a reorganisation, the Assemblies themselves would have the right to claim a considerable say.

A new note from the NIESR

AT A TIME when so much anxiety is being expressed about underlying long-term threats to our political and economic system, the continued existence of the four-year business cycle is almost a cause for optimism. The NIESR November Review has performed a service by reminding us all that we are now at or near the bottom of such a cycle. The fact that some other major countries already show signs of recovery would seem to confirm that the cyclical pattern still exists.

The National Institute believes that the U.K. recovery will be very moderate and that it will not be before 1977 that output resumes its normal 3 per cent. growth. If this is anything like right, seasonally adjusted adult unemployment will level off next year at around 1¼m. and will not drop off very much in the next two years. But anyone expecting the institute to call for a large domestic stimulus on this basis will be disappointed. If the Unions continue to co-operate in wage restraint some "modest stimulus" should be considered next spring, such as a relaxation of hire-purchase controls. But unless the rate of inflation is clearly coming down a substantial reduction in unemployment should not be attempted in the institute's view.

Far cry

This is a far cry from its attitude four years ago when at a similar point in the cycle it advocated £2.5bn. stimulus, which would be very much higher if translated into present-day values. The new attitude is not a sign of hard-heartedness, but shows that the futility of trying to cure unemployment by pouring vast sums of spending power into a highly inflationary economy has been learned. Indeed the November NIESR Review is a notably well argued document, which introduces a welcome new approach to several subjects. The importance of both market and monetary forces is emphasised. Connoisseurs of earlier Reviews may believe that they have got hold of the wrong document when they read of the need to control money and credit in the upswing and to finance the public sector borrowing requirements "by normal lending from the private sector" rather than through the banking system.

Nevertheless, all economic predictions contain a large element of personal judgment. The aspect of the Institute forecast most open to question is its belief that business stocks will continue falling throughout 1976. But it is not surprising that the Government's own forecasters are prepared for a resumption of stock building as recovery gets under way.

For the moment, the main doubts centre on the Institute's continuing heavy reliance on incomes policy, as the main weapon in reducing the inflation rate. The unanswered political question is whether it is possible to have the incomes policy which many economists like without the accompanying distortions which they dislike.

It is often forgotten that official opinion turned decisively in favour of incomes policy this summer because of the belief, backed up by an unpublished official report, that market forces were failing to make any inroads on wage inflation in the private sector. A new piece of research in the November Review casts doubts on this whole line of reasoning by suggesting that there has been, throughout the 1970s a trend for public sector wages to rise faster than private sector ones and that this became particularly pronounced in the last couple of years. The argument is far from being concluded: but the Institute findings do show how unwise it is to embark on major policy changes without publishing the official analysis lying behind it.

THE WHITE PAPER ON DEVOLUTION

What are the political implications of yesterday's proposals for the U.K. as a whole? **David Watt** takes an overall view of the logic behind the package and what it portends for the future

High stakes in Labour's game

IN all the mass of words that have been uttered on the subject of devolution since it became a live issue about ten years ago, the truest were contained in the Kilbrandon Report. "The paramount reason for demanding or rejecting independence must always be political. For separation to succeed it must command the general support of the people concerned. If it is not widely supported it is a complete non-starter: if it has that support then even the most serious economic obstacles will not be allowed to stand in its way."

What is true of complete independence is true of intermediate solutions such as the Welsh or Scottish Assemblies. The problem is almost entirely political. Once decide what general degree of devolution will meet the political needs of the situation, and the details are relatively unimportant

The key question about the Government's proposals for devolution in Scotland and Wales is not so much, therefore, whether they are administratively elegant or cumbersome but whether they are pitched at the right height to stem the separatist tide that is sweeping in on the U.K. If they are too weak they will simply increase the demand for stronger measures. If they are too strong they will simply become part of the disease they are designed to cure.

Opinion polls

No sensible judgment of yesterday's White Paper can be made without prior recognition that, in Scotland at least, the current is really strong.

The Scottish Establishment is now strongly pro-devolution, if not actually nationalist in tone. The Church, the business community, the universities and the media—from the quality papers to the popular—are all devolutionist and ready to become more so if their present enthusiasm is thwarted. The fantastic outcry from the Scottish Press over the apparent delay in the introduction of the Devolution Bill is only the most recent example of the climate of opinion. It is sometimes implied that there is something discreditable about the Government's giving in to "mere" party self-interest in introducing devolution proposals. But the political system is intended to harness the self-interest of politicians to the public good, and if the successes of the Scottish National Party have frightened the Labour Party it is with good reason.

The situation in Wales is, of course, different. The strength of Plaid Cymru is localised and the opinion polls show that at least half the Welsh electorate is happy to stay as it is. On the other hand, once the political situation in Scotland has forced devolutionary concessions, the analogy with Wales becomes hard to resist; and it is a fair bet that a White Paper which simply ignored Wales—an area with its own language and a genuine, if rudimentary, consciousness of historical nationhood would cause the political tide to rise very rapidly.

The first thing to realise about the White Paper, therefore, is that it is defensive. The Government is giving, in its own view, the least that is compatible with preventing a real political debacle in Scotland, and it has tacked on the Welsh proposals as a hedge against the future. Seen in this light, the package looks odd, but understandable. The tone is generous but the reality is a bit grudging in the Scottish case and if it is not grudging enough in the Welsh case (given the present state of Welsh opinion) that is only because the Scottish analogy has distorted the Welsh proposals. The Scottish Assembly, with all its panoply of legislative powers and Executive, is there, but the most powerful centralising influence in the U.K., the Treasury, is still very much in the picture.

It is worth spelling this out. It is not simply that all revenues (including oil revenues) apart from the small discretionary rates surcharge, are to continue to go to the central Government. For the allocation of resources back to Scotland will also remain very much a U.K. matter. The Secretary of State for Scotland (for example the representative of the U.K. Cabinet) will keep his responsibility for economic planning, for regional industrial assistance and investment through the Scottish Development Agency. Westminster will remain responsible for housing finance in the private sector and will keep a reserve power over rents. Above all, of course, the size of the block grant to Scotland (and Wales) will be determined in London.

The Scottish Executive will be able to haggle over this and there will be much "consultation"; but a study of Appendix C of the White Paper on the procedure to be followed here suggests that Whitehall will continue to hold the whip hand: and that its fiat will in practice extend where the theory of this devolutionary exercise says it should not—namely to the detailed allocation of resources within the block grant itself.

The experience of Stormont is very much to the point here. The Northern Ireland Government was permitted (as the Scottish Government will not be) to offer its own inducements to attract investment from outside—hence the existence of a Northern Ireland Minister of Commerce. But its ability to allocate its own resources, as theory demanded, was limited by the fact that its block grant was frequently cut to starvation limits, and it often had to apply to Westminster for supplementary financing, over which the Treasury was able to exercise detailed control.

These provisions are far more of a limitation on devolution than the more obvious reservations, such as the U.K. Government's right to veto a Scottish Bill on "general policy grounds": for the former controls are continuous, subtle and hard to turn into general political discontent, while the latter, involving a highly public showdown, are unlikely to be employed except in extraordinary circumstances. The main political question is whether Scottish public opinion will grasp all this and whether, if it grasps it, that will discredit the package.

At present the majority of Scottish Labour MPs seem to believe that enough has been done to give them a defensible position—that is, one that will open the SNP to charges of irresponsible extremism if it rejects the proposals, but will not open the floodgates to further demands. There are, however, two conditions. The first is that the Government's economic policy, overall, is sufficiently successful in the first years of the new arrangement to prevent a general impression that Scotland is still not getting a fair crack of the whip The second is that Ministers should conceal their doubts about the whole process now that they have made up their minds, and go out and sell the deal with some appearance of enthusiasm.

Leonard Burt

Unveiling the proposals yesterday, Mr. Edward Short, Lord President of the Council. Now the dice have been thrown.

This last proviso may not be easy to fulfil. Doubts are still very much to the fore in the upper reaches of Government. Some of these are near expressions of exasperation and conservatism. The whole thing is to many members of the Cabinet what Mr. Willie Ross injudiciously described it as in the presence of the Scottish Labour Executive the other day—"this bloody racket." But there are more serious objections, which may be grouped roughly under three heads.

The first is the question of getting the legislation through Parliament. The Prime Minister's explanation of the reason for delaying the passage of the Bill until next winter has been received with understandable derision, but it seems that the question did loom large in the Cabinet discusion. The memory of what happened over the reform of the House of Lords during the last Labour Government is still very strong, and where legislation cannot be put under guillotine for reasons of constitutional propriety the possibilities for ingenious filibuster are genuinely great.

More important is the question of who might be doing the filibustering and why. The so-called "English backlash" consists of two parts. One is English Labour MPs who feel thoroughly disgruntled at the prospect of voting for a measure which they believe will increase the leverage of Scotland and therefore its ability to steal economic resources which might otherwise have gone to their own constituencies. The pressure for creating English "regions" (or even a full-scale federal Britain) is no doubt a bit far-fetched and the Government's proposals for English regionalism, due out shortly, will not need to be much more than a token gesture. But the feeling that Scotland is being favoured to the detriment of other needy a cas—particularly the North-East and the North-West—cuts across the normal left-right lines and may cause some unpredictable voting effects.

The Conservative Party—the other component of the "backlash"—is split on this subject. A few keen Scottish Conservative MPs believe that the Party's fortunes in Scotland can be revived by supporting the White Paper, or something like it. But the majority feels deeply uneasy about the whole devolutionary principle with its overtones of "break-up;" and the more cynical of them, having written off the Conservative Party in Scotland anyway, do not see why they should now help the Labour Party out of its troubles there.

Finally, there are the doubts which may be lumped together under the heading of "unexpected side-effects." The least serious of these is the White Paper's effect on local government. It seems probable that the imposition of the Assembly on top of the recently reorganised Scottish local government structure will cause tiresome political and administrative complications. It will not be long before the Assembly is in conflict with the vast and powerful Strathclyde regional government—a council which is at present under Labour control and a considerable source of Labour power in Scotland. The logical thing will be to try and unscramble the new regions.

Electing the Assembly

More worrying still are the complications arising out of the method selected for electing the Assembly. There is going to be a rare old political dog-fight at the end of the first Assembly term when the original constituency boundaries are redrawn and Assembly men that ran in tandem in the first election are allocated to one or other of the sub-divisions into which their former joint constituency was split. But the real problem is the prospect of an SNP majority in the Assembly—a disaster which could be caused by a swing of less than 10 per cent. The Labour Party must either face this risk or else adopt proportional representation (as suggested by Kilbrandon), thereby opening a Pandora's box of electoral reform.

Lastly, there is the near-certainty that the Assembly will cause the loss of a net 20 seats to Labour in the Westminster Parliament. The pressure to reduce the "over-representation" of Scotland is already under way from the Conservative side and the argument in equity is unanswerable. Why should a disproportionate number of Scottish MPs be allowed to vote on legislations affecting England only while English MPs are debarred from voting on Scottish legislation?

All these doubts will not prevent the final passage of the Devolution Bill in something like the form proposed in the White Paper. Politicians will always tend to try to meet the most immediate threat—in this case the SNP—even if their defensive manoeuvres can be expected to cause trouble later on: and Mr. Harold Wilson and his colleagues are taking a gamble because they have very little choice in the matter. Nobody can be certain that it will come off, but now that the dice have been thrown we are all, in effect, committed, if we believe in the continuance of a United Kingdom, to carrying off the occasion with the best possible grace.

MEN AND MATTERS

Boyle for BBC Scotland

Andrew Boyle, editor of the BBC's World at One programme and equally well known as a biographer of famous (and somewhat odd people) is about to assume a new role. For a year at least he is going to join ex *Guardian* newspaper editor Alistair Hetherington at BBC Scotland where he will be in charge of news and current affairs.

From Monday Hetherington assumes full command of the BBC coverage—both radio and TV in Scotland, with the title of Controller, Scotland, and he has a formidable brief. Not only does he have to revive a service which has rather lost its way, but he has to set up a mini-devolution: the Beeb is very much aware that there are major political changes in the pipeline as far as Scotland is concerned, and that these will not only affect the reporting of events by the Scottish service, but the very constitution of its own organisation in that part of the world.

Boyle qualifies for a position in this new organisation on several counts. For a start he is Scottish and born in Dundee (though only because his mother insisted on returning to her home town from England for the birth of each of her children). More important Boyle has always been in the forefront in promoting "good" radio journalism which culminated in his partnership with the late William Hardcastle in the highly successful World at One programme.

Boyle, 55, has been with the BBC on news and current affairs since 1947, and claims that his decision not to move over to TV when that became the vogue was a deliberate one. In fact his first job with the BBC—working on Radio Newsreel—he took in preference to the post of press attache to the High Commission in India which would have given him more than twice the BBC salary, because he believed in the idea of radio journalism.

Aside from his BBC duties Boyle is a prolific biographer. His subjects include Lord Reith, Leonard Cheshire VC, and of course Brendan Bracken—who promoted the post-war merger between the *Financial Times* and the *Financial News* to form the embryo of to-day's *Financial Times*, and who was, in fact, the original "Observer" on the Men and Matters column.

Under Hetherington, Boyle's task is to re-integrate Scottish news and current affairs programmes into a single unit from the four separate divisions into which they currently fall. Hetherington himself has to mould an identifiable BBC Scotland that will be able to cope with the probability of increasing nationalistic pressure, political devolution in some form or other, and any other imponderables which may occur. To help him the BBC is likely to give him another senior man full time, plus possibly, a few others on loan.

Getting on with the NEB

Leslie Murphy was in no doubt yesterday how the City views the National Enterprise Board. In a word, with suspicion. That being so, he still found "everybody rather enthusiastic" when he sought advice around the place about accepting the NEB deputy chairmanship. The Square Mile, he thought, was above all a pragmatic place and realised the NEB "won't go away" though the Tories appear ready to scrap it (shades of the Industrial Reorganisation Corporation's demise) should they return to power.

Murphy is deputy chairman of the Schroders banking group, which has provided quite a list of public office appointees, including Charles Villiers to be managing director of the IRC. The dismantling of the IRC came to be rued by some top Conservatives, so perhaps Murphy's job will last the five-year term set by the Government. Survival will depend, he recognises, on performance (particularly in relation to British Leyland) and one of Murphy's aims is to "take politics out of it. This may be an idealistic view, but I think we'd like to be left to get on with the job."

"If anything will kill devolution that will!"

Whether that will be possible in the face of day-to-day political pressure is debatable. Now 60, Murphy's own politics, unusually for somebody in his line of work, are of the moderate Labour variety. He was a civil servant for 18 years, which included a stint as private secretary to Hugh Gaitskell when he was Minister of Fuel and Power, and in the oil industry for 12 years.

His present outside jobs include membership of the Royal Commission on incomes and wealth. The Government is awaiting that body's report to decide on future top salaries, having decided against implementing proposals that would have put the salary of Lord Ryder, NEB chairman, at £45,000, and Murphy's in the £30,000 to £35,000 range. In the event, as the two full-timers Ryder gets £31,850 and Murphy—who will continue for a while to handle some of Schroder's Middle East affairs—£26,000.

Murphy was among nine NEB members announced yesterday. Apart from Ryder, Murphy, and the four-man organising committee, the others are John Lyons, general secretary of the Electrical Powers Engineers Association; J. Lawrence Dickinson, managing director of SKF (U.K.) until last month; and ICI director Bill Duncan, with the company since he left school and rising to head North American operations before taking charge of overall commercial planning. Last week, foreshadowing the appointment of Lyons, very much an anti-establishment union leader, I wondered who the NEB's balancing choice of unlikely businessman would be. Dickinson probably fits the bill. He became managing director of Swedish-owned SKF (U.K.) in 1967, and two years later found himself and his company on the blunt end of State intervention when the NEB's ancestor the IRC blocked SKF's attempt to acquire Ransome and Marles.

Dickinson, 62, is still on the SKF Board, and his active participation in the CBI probably impressed Ryder. They should hit it off in one other way: like Ryder, Dickinson believes in arduous hours, rising at 5.15 and being at work two hours later.

Bang

What would you call a dove with a machine gun?

A military coo.

Observer

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THE WHITE PAPER ON DEVOLUTION

...or Scotland, reports **Chris Baur**, the proposals are the least needed ...r a consensus. But they are far short of Nationalist demands, ...uld terrify the Tories, and give Labour grave problems

...No monster, but a wee ...imorous beastie

...ITING for the Government's ...te Paper on devolution has ...n almost as nerve-racking as ...ing for those splendid ...erican scientists to produce ...r under-water photographs ...he Loch Ness monster: the ...l documentation will prob... prove to be just as blurred ...he edges, the source of end... controversy and many shat...d illusions. The Scottish ...estic Parliament which the ...ernment has unveiled to sit ...Edinburgh, turns out to be ...ore cowering and timorous ...stie than the one in the ter...ing legend which has been ...t around all those political ...tings that have been repar... ever since Mr. Edward ...th first spotted the thing ...May, 1968.

...ow, this will doubtless seem ...be a grotesquely unfair ...raisal, particularly South of ... Border where it is probably ...ady felt that the Scots are ...ing away with murder, and ...re the Government's devolu... package may be judged as ...earnest, fulsome, not to say ...nright disturbing, conces... to a Celtic bunch of ...titutional hooligans.

...are minimum

...t is a fair-sized package. Yet ...s probably also the bare ...imum needed to find a con...us in Scotland. Its capacity ...capture that consensus, and ...it will depend on two quite ...cal factors: first, the degree ...determination the Govern...t demonstrates in vigorously pursuing these proposals through to legislation; and, second, the readiness with which it is prepared to accept improving amendments, at least to raise the stature, if not to increase the actual powers, of the Assembly.

It is as well to be sure, first, though, exactly who the Government is trying to satisfy. Its White Paper will certainly not satisfy the Scottish National Party, at any rate on the formal level.

At an informal level, however, the Nationalist tacticians will probably be pleased. They know that they have been the main instruments both for lodging the notion of a Scottish Parliament firmly in the electorate's mind, and for gradually raising expectations about that Parliament's powers. While the latest opinion polls show only a 20 per cent. support for their policy of "separation" (a large enough minority, in all conscience), the Nationalists also know that, if people are asked instead to list the powers they would like a Scots Parliament to have, a much larger proportion will immediately describe something that is tantamount to complete self-government. In that situation, any Assembly which is hedged about with endless blocking options at Westminster, and which enjoys freedoms which are only reluctantly and restrictively awarded, will appear to be a disappointment. The Nationalists can only profit from disappointment.

At the other extreme, the White Paper proposals will terrify most Scottish Conservatives. They hatched the chick which has grown into the political vulture now stalking on their shoulder. The Party is in open disarray and is frequently speaking in unbelievable contradictions. Last week's Government decision to delay the Assembly legislation until the 1976-77 session was simultaneously welcomed by Mrs. Margaret Thatcher as a sensible extension of an important national debate and condemned by the Party's Scottish leadership as a betrayal of Labour's election pledges.

Compromised

Yet even their conviction now seems to be compromised. In September they began a carefully-orchestrated campaign, releasing almost weekly a series of reports from their Scottish Devolution Committee describing their proposals for an Assembly.

But the crunch came earlier this week, to the sound of screeching brakes which could be heard all over Scotland. The Conservatives' September proposal that the Assembly should have total discretion in deciding how to spend its block grant from Westminster was blushlessly converted into a proposal that the block grant should, in fact, be paid to the Secretary of State for Scotland.

Seen from Scotland, the Conservative Party's two ticklish objectives in the Westminster debate on devolution could well be, first, to force a much more restricted package of powers for the Assembly than the Government proposes (or to prevent the Assembly's creation altogether), and second, to avoid getting stuck with the blame for either.

But what if the Conservatives do become labelled as obstructionist? Would they necessarily continue to lose votes in Scotland as devastatingly as they have done in the last 20 years by slow erosion, or in the last two years under the Nationalist avalanche? There is not all that much more to be lost. Since 1955, the Party has been reduced in Scotland from 36 to 16 MPs. It must surely be getting towards that bedrock support which is increasingly difficult for others to dislodge. It might lose—what?—three, four, five more seats in Scotland if its devolution policy went sour. But it might also expect to take one or two seats back from the *Nationalists, in constituencies* which the SNP has not adequately nursed. On a cold and cynical calculation, the Tories simply know that they need not rely on Scottish seats to win power at Westminster.

Labour can afford no such luxury. It needs its Scottish seats to govern, and in three dozen of its 41 Scottish constituencies it is now being challenged by the SNP. It is the vast majority of Labour's Scottish supporters—just over 1m. of them at the last election—that the Government must now convince with its devolution package. It is among those electors that defections to the Nationalists must be halted and reversed. Preliminary soundings with the Labour Party—which has come only gradually and most painfully to the majority conclusion that it must have a powerful measure of devolution to survive—suggest that the reaction to the Government's proposals is one of disappointment and, in some quarters, of severe shock.

The Scottish executive of the party, having had its arm twisted halfway up its back by Transport House last year to force it to accept the very idea of an Assembly, has already *been stunned by last week's* reward for its troubles: a year's delay in producing the thing.

The leading exponents of maximum devolution will find great difficulty in endorsing the White Paper fully. There are already some angry mutterings about the need to create an autonomous Scottish Labour Party, with far looser political obligations to Transport House and an ability to defend itself with weapons of its own choice rather than the inadequate ones being thrust upon it.

For Labour's devolutionists, it is true, some interesting concessions have been offered by the Government. Perhaps the most notable is the decision to split the accountability of the Scottish Development Agency.

The White Paper contains no timetable for implementing the proposals. It includes what some Labour managers regard as an unnecessarily aggressive rebuttal of the case for allocating a share of North Sea oil revenues to bolster the Assembly's income—a case now supported by a large number of Labour voters who are well aware of the extraordinary anomaly in the fact that Shetland has been allowed to impose its own "oil tax." The *Government plan, moreover,* artfully selects local authority rates as the best means whereby an Assembly could raise "useful" extra taxes, a horrifying proposal for ratepayers who have just seen their rate demands leap up.

It proposes a further increase in the industrial and employment policy powers exercised by the Secretary of State for Scotland, yet it gives the Assembly no meaningful role in those fields. The apparent concession of devolving to the Assembly "responsibility for the activities of the Highlands and Islands Development Board as a whole" is instantly diminished by the Secretary of State's prerogative to write the guidelines and set the cash limit covering the Board's principal activities.

Of course, some of this could be rectified. Scottish Ministers are making great play of the fact that the White Paper is open for negotiation. Although a consultative document and a preliminary White Paper were issued in the summer and autumn of last year, the Scottish Office alone lists 94 public, political and specialist bodies which it intends to consult again. During this process, and depending on the strength of *public and private reaction from* Labour-orientated organisations, it may well become possible, for instance, to give a further commitment on timing.

It is these responsibilities that are at the heart of the political debate in Scotland. And much of the fancy dancing which both the Government and the Labour Party's National Executive did last year recognised this truth. The September, 1974, White Paper said: "There must be scope, too, for real initiative and participation at the level of the Assemblies, for instance in the drawing up of regional economic plans." The Labour Party's NEC pre-election statement went further.

Close ranks

Yet the White Paper gives scarcely a backward glance to these powerful sentiments. It simply says that to concede these points would destroy the economic and political unity of the U.K. The great difficulty for the Labour Party in Scotland and the Scottish TUC is how to achieve these improvements without appearing to reject the Government's proposals as they stand. The over*riding requirement at the* moment is for the Labour movement publicly to close its ranks against the bayonets of the Nationalists and the wild buckshot of the Tories. The Government can probably count on respectably good discipline for a while. How long that lasts will depend on the speed and the strength of the legislation which is ultimately delivered.

The question of "Scotland's oil" has long been a rallying cry of Nationalist MPs like Mrs. Winifred Ewing. But tax revenues from it are to remain firmly in Westminster's hands.

Letters to the Editor

...rowing pains ...f EDCs

...m the Chairman, ...ing Economic Development ...mittee.

...r,—I was most interested to ... your article (November 24) ...he growing pains of EDCs. ... I, as chairman of one of ...n for the last four years, ... some comments?

...ne terms of reference for ...s—to examine their indus...s' problems and prospects ... make recommendations to ... parties—give them a wide...ging search warrant, and ...ther they are successful, I ...ld suggest, lies in the ability ...he Committee to exhaustively ...lyse an industry's strengths ... weaknesses and then develop ...et of proposals designed to ...t the problems.

...n the case of the Clothing ...C, we have rigorously ...bed the weaknesses of the ...ustry and in our development ...posals of February of this ...r on which the Government ... based its £20m. development ...eme, we set out our remedies. ...tral to this were the pains...ing series of consultations not ... within the EDC but also ...ough all trade associations, ... National Union of Tailors ... Garment Workers, and with ...vidual companies. The EDC, ...n its tripartite constitution, ...n a unique position to under... such consultations and to ...erate commitment from all ...s to the resulting proposals; ... to making constructive use ...the industry's Scheme which ...now have.

...he EDC has repeatedly re...ted that the key problem of ... *British clothing industry* is ... need to reorganise its pro...tivity potential and realise ...dramatically. This requires ...ost a crusading spirit in the ...ustry, and through the con...tations I have mentioned, ... the conference to launch the ...eme on November 18, I hope ... can generate such a spirit. ... key to winning is the will, ... the problem for the EDC, ... I daresay others, is how to ...elop that will.

...er Parker,
...thing EDC,
...tional Economic Development ...ce,
...lbank Tower, ...lbank, S.W.1.

...ncontrolled ...obbledegook

...m Mr. A. Gardner.

...ir,—What "gobbledegook" ... contained in the report on ... Treasury's evidence to the ...mmons Expenditure Com...tee on public expenditure in ...4-75 which was contained in ...r issue of November 22.

...he report was under the head... "Public spending not out of ...trol, says Treasury" and said ...t the Treasury did not accept ... implication that, because ...lic spending in 1974-75 was a ...d deal higher than projected ... earlier White Papers, even ...r allowing for inflation and ...ounced policy changes, ...ernment spending was out of ...trol. Your reporter then went ... to say that the Treasury ...arded the increase in the ...ume of housing expenditure ... 1974-75 as an example of "a ...nge in priorities in a service ... necessarily requiring a ...cy change." For the life of me, and after repeated readings, I still really do not understand what such a phrase means. Again, later in the article . . . the debt interest increase is stated to be a "projection" rather than "the object of policy." What on earth does that mean?

Unfortunately I did not see the argument advanced by Mr. Wynne Godley in his evidence to the Commons Expenditure Committee where he appears to have made the accusation that Government spending was out of control. If I had, perhaps I might have understood the Treasury's evidence — I say might because I think it highly unlikely.

Of course, to decide whether something is "out of control," one has first to define "control." Briefly, I would say that a controlled situation is one in which a plan is drawn up in such terms that it can be subsequently monitored, the monitoring process resulting in a "feedback" which enables divergent tendencies from plan to be incorporated in subsequent actions so that the plan is ultimately achieved or is modified to take account of experience to date.

If this is accepted, then lack of control would principally arise in two ways:—(i) Plans needing repeated modification (usually adversely) as a result of the monitoring process indicate that either the planning process is not properly understood or that actions are not being tailored to the plan. (ii) Plans needing repeated modification because the objectives are constantly shifting indicating that planning is probably not a practicable proposition. On both these grounds I rather suspect that Government expenditure is out of control or, to be fair to the Treasury, not capable of control because of successive and rapid changes of objectives.

For the Treasury, however, to defend itself and the Government with the kind of gobbledegook quoted above is breathtaking. It must be that they have caught the politicians' disease of "double speak"; could it be that the sort of language used by the Treasury itself contributes to a lack of control in that it certainly helps to cloud the issue and make the objectives less clear?

Sir, may I appeal for a return to sanity in the use of our language; it is a beautiful thing and capable of the most subtle nuances and to use it for gibberish is nothing short of vandalism; let us challenge the gibberish whenever it occurs, or from what ever quarter, in our own interests, as often it is a cloak for incompetence, or worse, it is intended to deliberately mislead. Let us not be afraid of being thought illiterate ourselves by asking for statements in plain English.

A. E. Gardner.
10, The Courtway,
Low Ackworth,
Nr. Pontefract, Yorks.

Unexplained corporatism

From Dr. P. Cuff.

Sir,—Anyone following the growth of British corporatism will not have been surprised by your front-page report (November 25) that the Government and some leading companies have started to discuss planning agreements, and that talk of preferential treatment and discrimination is already in the air. Mr. Heath's recent remarks in Rome (in Rome! Shades of 50 years ago!) were a well-timed accompaniment, and no doubt Mr. Walker will be treating us soon to another homily of his on the changing role of government.

One wonders whether there are any politicians left (or right) who can explain to industry and indeed to the country at large, in simple and straightforward terms, what corporatism is and where it can lead. If there are such, they should speak up. Not only are their potential sources of support diminishing but also the time may not be all that far away when their words of criticism will be held to be contrary to "national needs and objectives." One doesn't have to be a Roman historian, ancient or modern, to appreciate what that means. Just a believer in parliamentary democracy.

Dr. P. J Cuff.
Pembroke College,
Oxford.

Reasons for emigration

From The Chairman, Dorman Smith Holdings.

Sir,—Sir Geoffrey Howe, in his recent speech (reported November 24) at Arundel, used my forthcoming emigration as an illustration of the troubles now facing this country.

I assume from the way in which he referred to my decision that he considered it to be a valid argument for the return of a Conservative Government. As far as I am concerned this is certainly not the case. I have no evidence whatever that the Conservative performance would be any better next time than it was the last time round.

The present ludicrous personal rates of taxation stem largely from the actions and legislation of the last Conservative Government. We have not yet had to face the full effect of the additional troubles that will arise from the actions and legislation of the present Labour Government.

Unfortunately, Sir Geoffrey Howe was a senior member of a political team that bears considerable responsibility for the present situation. If he wishes to re-establish his credibility he would be well advised to start by apologising fairly frequently and publicly for whatever part he may have played in bringing Britain to its present plight. He could then follow on by *listening* to the successful entrepreneurs in this country rather than the industrial bureaucrats of the CBI.

Geoffrey Atherton.
Atherton Works,
Preston.

Rewards of selling

From The Managing Director, Ores International.

Sir,—One can sympathise with Mr. Miller who, in his letter "The Cost of Selling" (November 24) undoubtedly voices the concern of all small exporting enterprises in this country.

Whereas his suggestion for a Government grant has some merit, I believe that the whole question of incentives to export is at this time of such paramount importance to our survival as an economic power, that stringent measures are called for at national level to secure the right sort of skills and talents to do the job.

Currently, most export sales staff are regarded as poor relations compared with the marketing and sales personnel responsible for the mass home market, which is, of course, easier to sell into, but which contributes nothing to our balance of payments. The result—with, of course, notable exceptions—is that export staff are poorly paid, and thus tend to be of a relatively low calibre. Clearly having a regard to the ratio of home to export sales by most companies at this time there is validity in this situation in purely commercial terms. Such a situation, however is bad for the nation and, therefore, must be an issue for the nation to rectify by making available "real" incentives for men of talent to go out into the world and sell for Britain.

For example, for every one week spent outside the U.K. on export business an executive could have three weeks remission of income-tax. If he is away for 18 weeks in the year, he will pay no tax and will certainly deserve his tax-fre income. Such an inducement would surely attract a much higher calibre of executive into export selling and, by the same token, would ensure that he/she is properly remunerated *vis-a-vis* the home sales executive. We are, almost daily, being made acutely aware of the low status accorded the export salesman as men of skill and high calibre turn away from the international market place in favour of the home front.

M. L. Webb-Bowen.
35-39, Maddox Street, W.1.

Inflation is the cause

From The Managing Director, Prestwick Circuits.

Sir,—I am alarmed at the tone of reporting used in the Financial Times on the subject of the Sandilands Report; all of it is being done on the assumption that inflation accounting of some sort is not only essential but that its current absence is an affront to a civilised society.

In fact, inflation accounting procedures as proposed are the result of confused thinking. The cause of the confusion is inflation and not the present procedures, and the introduction of new procedures will obscure, to the vast majority of the users of accounts, the true relevance of financial facts. The solution to the problem is in the hands of the accounting function of government industry and the profession who have failed to attack the root cause of inflation and in whose hands so much of the control currently lies.

The introduction of inflation accounting procedures as a statutory requirement will guarantee that worker participation in management will be accelerated since the suspicion caused by accounts which include subjective assessments will reduce the credibility of management, and the participation will grow from an unsound basis.

W. B. Miller.
Mosshill Industrial Estate, Ayr.

To-day's Events

GENERAL

Mr. Anthony Crosland, Environment Secretary, continues official visit to Japan.

Mr. David Ennals, Minister of State, Foreign Affairs, speaks at annual dinner of Rochester and Chatham Constituency Labour Party, Rochester.

Mr. Edward Rowlands, Parliamentary Under-Secretary of State, Foreign Affairs, ends two-day visit to Belize.

President Nyerere of Tanzania pays official visit to European Communities Commission, Brussels.

British Leyland management at Cowley plant meet union officials to discuss regrading demands.

Students lobby MPs over education cuts, House of Commons.

Russian civil aviation team continues U.K. visit as guests of Civil Aviation Authority to study landing aids.

Association of British Mining Equipment Exporters' delegation touring Chinese coalfields.

International Ski Show, New Horticultural Hall, SW1.

PARLIAMENTARY BUSINESS

House of Commons: Second reading of OECD Support Fund Bill and Northern Ireland (Loans) Bill.

OFFICIAL STATISTICS

Construction new orders (September).

Bricks and cement production (October).

COMPANY RESULTS

Granada Group (full year).

Rediffusion Ltd. (half year).

COMPANY MEETINGS

BPM, Birmingham, 12.30.

British Industrial, Dorchester Hotel, W, 12.

Change Wares, Winchester House, EC, 12.

Graff Diamonds, Park Lane Hotel, W, 12.

Lake and Elliot, Waldorf Hotel, WC, 12.

Lyles (S.), Ossett, 12.

Raine Engineering, Sheffield, 12.

Rosehaugh Tea, 37, Queen Street, EC, 10.45.

Second Broadmount Trust, Piccadilly Hotel, W, 12.30.

Unochrome International, Cheltenham, 12.

Wades Departmental Stores, Sheffield, 12.

OPERA

Royal Opera production of Der Rosenkavalier, Covent Garden, WC2, 7 p.m.

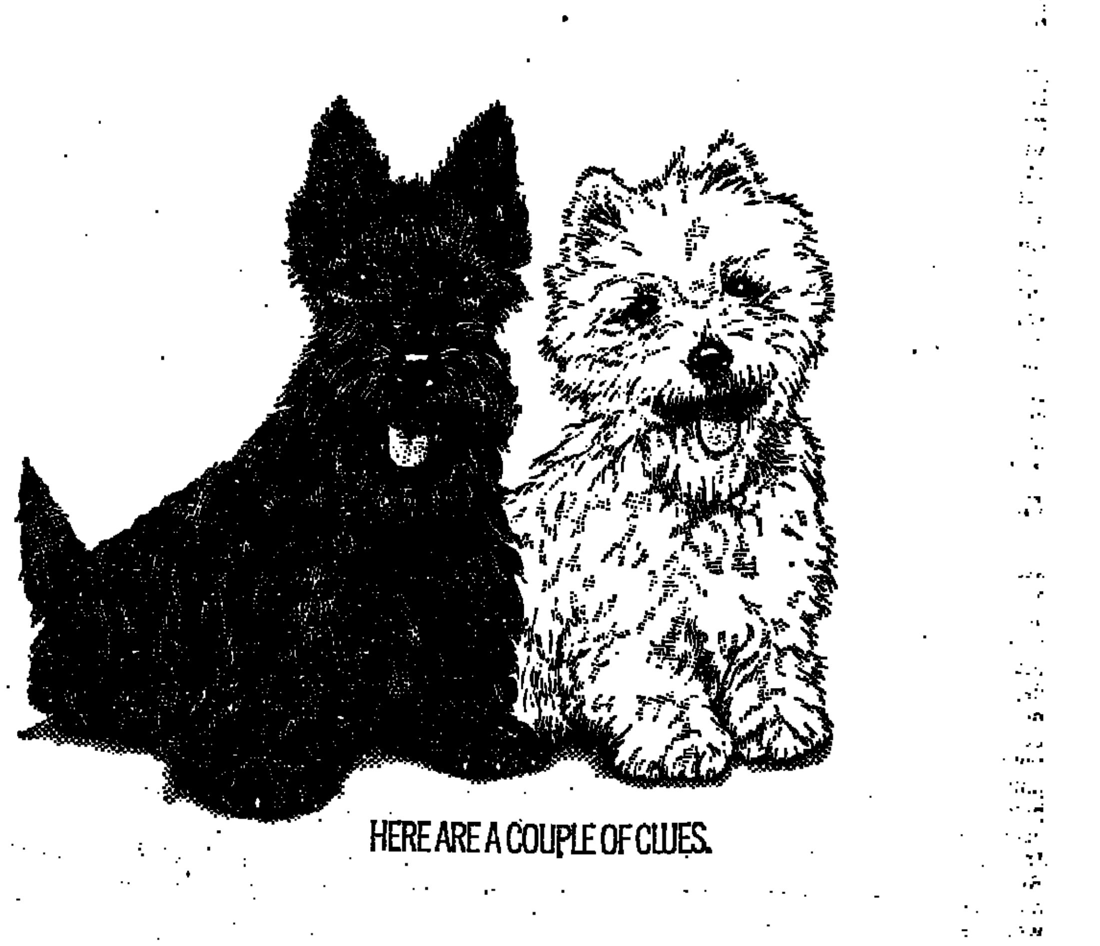
BALLET

Royal Ballet dance David and Goliath; Headlong; Gladly, Badly, Madly, Sadly; and Masque of Separation, Royal Opera House, WC2, 7.30 p.m.

MUSIC

Bournemouth Sinfonietta, conductors Hans Pichter-Haaser (also piano) and Simon Rattle, play Mozart (piano concerto in E Flat), Henze (Symphony No. 1), Muldowney (Music at Chartres III) and Beethoven (piano concerto No. 2 in B Flat), Queen Elizabeth Hall, SE1, 7.45 p.m.

One Scotch Whisky has the edge for smoothness. Can you name it?



HERE ARE A COUPLE OF CLUES.

COMPANY NEWS + COMMENT

Tunnel margins rise—profit doubled

ARISING mainly from improving margins stemming from cost reductions and price increases, trading figures of Tunnel Holdings have swung from a £274,000 loss to a £981,000 profit in the half year ended September 28, 1975.

And profit before tax has doubled to £2.11m.

There has been no improvement in trading conditions and a further drop in cement demand led to a home sales volume reduction of 5 per cent. Export demand has also weakened and, after completion of existing very low margin contracts, no new business is available at acceptable prices.

Despite a cement price increase in October, the continuing recession and economic uncertainties make it imprudent to forecast for the year.

The associates have made improved contributions. The extension at Ribblesdale is on budget and completion is expected by the end of March. In Australia, Metro Tunnel exceeded expectations with an excellent first half.

	Half-year 1975 £000	1974 £000	Year 1974-75 £000
Group turnover	15,12[illegible]	12,40[illegible]	26,299
Associates' share	11,[illegible]	10,11[illegible]	17,826
Trading profit	9[illegible]	[illegible]	1,976
Associates' profits	5[illegible]9	913	1,56[illegible]
Trade inv. income	50	19	159
Interest	2[illegible]	279	500
Debenture interest	60	72	143
Except. credits	—	60	179
Profit before tax	**2,114**	**1,056**	**4,121**
Group tax	674	51	1,164
Associates tax	400	491	810
Minority	..	—	—
Extraord. credits less debits	544	—	196

Present policy of high liquidity is being maintained and has been assisted by the £544,000 extraordinary credit, which represents the surplus on the sale of the Nairn Williamson holding and the disposal of Essex and Flintshire Paper Sack. However, development of Tunnel Building Products and Compo-Cem are going ahead. Earlier this month, Tunnel announced the closing down (in April) of its West Thurrock cement operation.

The interim dividend is raised from 2.4675p to 2.7142p net. Total for 1974-75 was 8.1357p.

● comment

Tunnel has shared fully in the *recent strength of the building* materials sector, rising by over a half since the July annual report before dropping 9p to 176p yesterday on the interim figures and cautious full-year forecast. The results so far are in line with expectations, and the near-doubling in the pre-tax total reflects the impact of the big price rises of the last 12 months. *Tunnel also seems to have* regained some of the market share lost before the return to the Common Price Agreement since its volume decline of 5 per cent. is a couple of points less than the industry average for the period. There have apparently been signs of a levelling-out in volume over the last two months, and with another price increase recently there are external hopes of over £5m. for the year, against £4.12m., before any provisions on the closure of West Thurrock. These prospects, and cash and short-term deposits of over £7m., underpin the current rating.

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British Steam	21	5	National & Commercial	22	6
Caird (Dundee)	20	5	New Court Natural	28	6
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Charles (David)	22	8	Props. of Hay's Wharf	21	6
Exchange Telegraph	20	4	Richards	22	3
Fine Art Dvlpmnts.	20	2	Scottish Investment	22	3
Flight Refuelling	28	6	Sekers Int.	22	7
French Kier	21	3	Silkolene Lubricants	22	8
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Peak year seen by Fine Art

EXTERNAL SALES for the half year to Sept. 30, 1975 of Fine Art Developments expanded from £7.7m. to £10.48m., and pre-tax profit advanced from £624,000 to £711,000, after increased interest charges.

This progress is continuing into the second half and present indications are that the results for the year will once again be a record, *says the chairman, Mr. F. B. Kerry.* Profit for the year to March 31, 1975 was £2,263,704 from sales of £20.49m.

Stated earnings per 5p share for the half year improved from 0.817p to 0.917p and the interim dividend is raised from 0.55p to 0.45p net. It is intended to pay the maximum permitted total (1.0104p for 1974-75 from earnings of 2.963p).

	Six months 1975 £	1974 £
External sales	**10,475,000**	**7,695,000**
Trading profit	*1,008,000*	*815,000*
Interest charges	297,000	191,000
Profit before tax	**711,000**	**624,000**
Taxation	373,000	324,000
Minority	2,000	4,000
Attributable	336,000	296,000
Interim dividend	164,923	133,459
Retained	171,077	162,541

● comment

Higher interest charges have creamed 10 points off Fine Art's trading profits increase to leave the pre-tax level some 14 per cent. ahead on a sales rise of 36 per cent. The main question-mark *must now hang over the far more* important second half, where Christmas card sales look vulnerable to higher prices and increased postal charges. But if the public does trade down, FAD could be in line to benefit, as its ranges cover the relatively cheaply-priced cards, especially through its mail order. Certainly the group sounds confident, for an indication of another record year cannot leave much room for any shortfall in the current six months. At 22p, the prospective yield of 8 per cent. is in line with Sharpe and way above Wilson.

Hargreaves holds earnings

FIRST HALF pre-tax profits of the Hargreaves Group have been very nearly maintained at £1,232,000, against £1,265,000, and stated earnings per 20p Ordinary share were held at 2.8p.

The interim dividend is *lifted* from 0.8710 to 0.9295p net per share—total for the year to March 31, 1975 was 2.131p paid from taxable profits of £2.21m. and earnings per share 4.9p.

	Half-year 1975 £000	1974 £000
Turnover incl. sh. assoc.	45,373	38,733
Trading surplus	1,914	1,775
Depreciation	546	772
Interest charges	251	214
Balance	917	789
Share assoc. profits*	415	476
Profits before tax	**1,232**	**1,265**
Tax	645	670
Net profit	587	595
Extraordinary credits	30	—
Attributable	617	595
Dividends	196	184
Retained	421	411

* Figures for Hargreaves Fertilisers relate to half-years to June 30, 1975, and 1974.

Pre-tax profit analysis:

	Half-year 1975 £000	1974 £000
Commercial vehicle bldg. and distrib.	119	213
Fertiliser manuf. & distrib.	399	473
Plant hire, contracting & waste disposal	174	156
Quarrying	196	211
Fuels & assoc. activities	244	77
Transport, shipg. & wrhsg.	215	240
Making	1,337	1,370
Less debenture interest	105	105

● comment

Hargreaves can thank its mixed *bag of trading interests for a* first-half pre-tax total which is little changed. Not surprisingly the commercial vehicle side is highly depressed, allowing for the poor trend in registrations, while the 16 per cent. drop in fertiliser profits was on the cards as a result of sales resistance following sharp price increases. But the surprise packet must surely be the fuel division, where profits were more than trebled: with fuel oil volume generally lower in the U.K. presumably exports were again strong—although, to be fair, the overall performance last time left much to be desired. For the current period, fertilisers could well make a greater impact, with stocks moving quicker in June and July, while favourable weather conditions could boost the fuel side in the all-important winter months. But overall there *should be few fireworks* leaving a 10 per cent. yield as the main short-term prop for the shares at 36p.

Extel's midway growth

GROUP PROFIT, before tax, of *The Exchange Telegraph Company* (Holdings) increased from £630,000 to £835,000 for the half-year to September 30, 1975. Turnover advanced from £6.18m. to £7.87m.

And chairman, Mr. John Harvey, says profits for the second half are expected to be higher than for the corresponding six months last year, although continuing uncertainties make forecasting difficult. Profit for the year to March 31, 1975, was £984,000.

Stated earnings per 25p share for the six months increased from 3.64p to 4.46p, and the interim dividend is raised from 1.375p to 1.47p net. *Last year's* total was 4.04775p.

	Six months 1975 £000	1974 £000	Year 1974-75 £000
Turnover	7,874	6,122	12,443
Trading profit	835	514	869
Invest income	—	116	115
Profit	**835**	**630**	**984**
Taxation	440	307	497
Extraord debit	—	—	176
Net balance	395	323	311

Cost of the interim dividend is £130,115 (£121,915).

Mr. Harvey says Burrup, Mathieson printing group benefited from the improvement in the volume of City work, particularly *in the first quarter, and from re-*organisation early this year.

Robophone made a significant contribution to profits, but higher costs and difficult market conditions limited the profitability of the other principal trading activities.

● comment

Behind the 32 per cent. rise in Extel's first-half pre-tax profits is a £233,000 recovery by the Burrup, Mathieson printing subsidiary and the first real profits from the Robophone acquisition, which have enabled the group to more than offset a depression in the traditional news service activities. Burrup Mathieson, which was carried forward on the back of *increased stock market new issue* activity in the first six months, is experiencing something of a slowdown in the second half, but the news service activities are now *seeing the full benefits of a recent* round of subscription increases. With Robophone continuing to increase its contribution, this suggests a full-year pre-tax level of £1.5m. That is still some £300,000 below the peak level of 1972-74 but it should cover a maximum dividend, yielding 9.6 per cent. at 72p, 1.8 times.

Triplex Foundries ahead

FIRST HALF pre-tax profits of the Triplex Foundries Group have advanced from £583,278 to £676,709, after transferring a further £105,000 to the *provision for* deferred repairs.

And the directors report that satisfactory trading continues, despite the present economic uncertainties.

The interim dividend is 1.28p net per 25p share, against 1.2p—it is based on the maximum permitted annual increase of 10 per cent. aportioned between interim and final in the same ratio as last year. Net total for the year to March 31, 1975, was 2.748p paid from taxable profits of £1.46m.

	Half-year 1975 £	1974 £
Profit	**676,709**	**583,278**
Foundries and assoc. activities	410,636	367,357
Engineering	177,514	143,235
Other activities	88,559	72,486
Tax including transfer to deferred account	364,000	297,000
Net profit	312,709	286,278
Preference dividend	3,200	3,440
Ordinary interim	81,174	76,101
Retained	228,335	206,737

● comment

Triplex Foundries' half-year results are distorted by a £105,000 provision for deferred repairs (a figure of £89,500 was set aside for the whole of last year) and pre-tax profits growth has been reduced from 34 per cent. to 16 per cent. The provision apparently applies fairly evenly to all divisions where profits have shown a gain of a fifth in foundries, a slightly larger increase in light engineering and a fall of 20 per cent. in "other" activities, embracing falling volume and cotton prices in protective clothing. Volume in foundries has held up well and the recent modernisation programme here (a further £1m. or so may be spent this year out of the group's resources) seems to have paid off. At the current rate of progress pre tax profit could reach £1½m. this year for a prospective p/e of 4.2 at 49½p, and a maximum yield of 9.5 per *cent. would be covered over four* times. This should underpin the strong price movement seen in the shares in recent months.

Bowring plans loan stock exchange

C. T. Bowring proposes to exchange all its outstanding 5 per cent. Convertible Unsecured Loan stock 1981 for a new 10 per cent Convertible Unsecured Loan stock 1987.

The offer to exchange the £25.5 nominal of existing stock will be on the basis that for each £100 holders will receive £75 of the new stock credited as fully paid.

Bowring does not intend to use its powers under the existing Loan stock deed to force the exchange on any minority. It is, therefore, *making the exchange conditional* upon acceptance by holders of 90 per cent., or such lesser amount as it may decide.

Objects of the reorganisation *are primarily to reduce the con-*version price to a level where conversion is likely to be advantageous, and secondly to extend the life of the Loan stock.

For each £100 of existing stock holders now receive an annual income of £5.00—those who exchange will receive £7.50, an increase of 50 per cent. For each £100 of existing stock, holders now have the right to concert into 100 Ordinary shares until June 21, 1981. Holders who exchange will receive the right to convert into 108⅔ Ordinary until *June 21, 1981, and thereafter into* 99⅓ Ordinary shares until June 21, 1087.

Caird (Dundee) loss: omits interim

Mainly reflecting a continued and accelerated fall in demand for space dyed yarn Caird (Dundee) reduced production and incurred a pre-tax loss of £55,356, against a profit of £233,055, in the half year to September 27, 1975.

The second carpet printer is now in operation and although *printing turnover* is higher than it was in the half year to March 31, 1975, it is still low in relation to the increased capacity, with the result that profitability in this department is inadequate, says the chairman, Mr. G. M. D. Drummond.

He reports, however, that in the last few weeks there has been an upturn in demand.

There is no interim dividend against 0.975p net per 25p share. For the year to March 31, 1975 a total of 1.948635p was paid from a profit down from £750,265 to £358,115.

Utd. Wire more than halved

AS FOREWARNED at halfway—when a fall from £732,000 to £517,000 was reported—taxable profits of United Wire Group have declined further in the second half, resulting in a drop from £1,306,000 to £556,000 for the full year to September 27, 1975.

Stated earnings per 25p share contracted from 9p to 4p and the *dividend is cut from 4.9p to 3.7p* with a final payment of 3.3p.

	1974-75 £000	1973-74 £000
External sales	9,193	9,759
Pre-tax profit	**556**	**1,306**
Tax	228	569
Extra-ord. debit	314	18
Attributable	12	719

The directors state that the reduction in activity reported in the interim statement intensified *throughout the second half* and all companies were affected, the wire division at Granton and the paper trade activities being most severely hit.

Extraordinary items of £314,000 (£16,000) comprise exchange losses on foreign loans resulting from the fall in the pound and the devaluation of the South African Rand in September.

Leonard Burt

Mr. J. O. Blair-Cunynghame, chairman of National and Commercial Banking Group, which *yesterday* reported a 10 per cent. reduction in pre-tax profits to £37.23m. for the year to September 30.

DIVIDENDS ANNOUNCED

		Current payment	Date of payment	Corre-sponding div.	Total for year	Total last year
Airfix Inds.	int.	*1.1*	*Feb. 5*	1.03	—	2.79
Anderson Strathclyde	int.	3.3†	Feb. 2	3.5	—	8.5
Anglo American Asphalt	int.	0.87	Feb. 2	0.79	—(a)	1.99
Bisichi Tin		0.21	Dec. 31	0.2	0.21	0.2
British Steam	int.	1.5†	Jan. 17	1.5	—(c)	4.6
Carding Group	int.	Nil	—	0.21	—	0.21
Caird (Dundee)	int.	Nil	—	0.98	—	1.95
J. Dykes	int.	0.55	Jan. 31	0.55	—	3.10
Exchange Telegraph	int.	1.47	Jan. 2	1.38	—	4.05
Fine Art Developments	int.	*0.45*	*Jan. 22*	0.35	—	1.01
Flight Refuelling	int.	0.75	Jan. 21	0.69	—	2.13
French Kier	int.	Nil	—	Nil	—	0.05
General Engineering	int.	0.4	Jan. 6	0.2	—	1.2
M. J. Gleeson		0.93	Dec. 4	0.89	1.5	1.4
600 Group	int.	1.5	Jan. 23	1.4	—	3.06
Thos. Hardman	int.	0.33	Jan. 15	0.3	—	1.63
Hargreaves	int.	0.93	Jan. 27	0.87	—	2.12
Hay's Wharf		3.14	Jan. 23	2.86	4.43	4.15
Hicking Pentecost		2.0(b)	Feb. 27	1.5	—	5.09
E. E. Jeavons	int.	0.75	Jan. 16	0.75	—	2.44
London & Mid. Inds.	int.	1.6	Jan. 16	1.5	—	3.7
Nat. & Commercial		1.09	Jan. 12	1.07	2.14	2.01
Prop. & Reversionary	int.	2	Jan. 9	2	—	3.88
Richards		0.69	—	0.62	0.87	0.79
Scottish Invest.		1.59	Feb. 4	1.59	2.05	2.05
Silkolene	int.	0.51	Jan. 7	0.48	—	1.64
"Times" Veneer	int.	0.17	Jan. 7	0.17*	—	0.32*
Triplex Foundries	int.	1.28	Jan. 30	1.2	—	2.75
Tunnel Holdings	int.	2.71	Jan. 29	2.47	—	8.13
Turnbull Scott	int.	4.0	Dec. 22	4.0	—	8.41
United Wire		2.3	Jan. 23	3.5	3.7	4.9
Valor	int.	*0.64*	*Jan. 26*	0.64	—	2.16
Wade Potteries		0.63	Jan. 13	0.8	1.07	0.98

Dividends shown pence per share net except where otherwise stated. * Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. (a) Final 5.63p forecast on capital to be increased *by one-for-four rights.* (b) To reduce disparity. (c) Not less than 4.6p forecast.

Irish Capital Gains Tax

A Book of Base Date Prices, calculated according to the 1975 Act, is being published by Extel after consultation with the Revenue Commissioners and The Stock Exchange.

Enquiries to

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London EC2A 4PB

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Extel

LONRHO

Year ended 30th September, 1975

The unaudited results of the Lonrho Group for the year ended 30th September, 1975 are:—

	1975 £m	1974 £m	Percentage Increase %
TURNOVER (Note 1)	592.5	349.2	70
PROFIT BEFORE TAX			
Group	54.4	39.7	
Associates	7.6	6.8	
	62.0	46.5	33
Taxation	(31.9)	(23.4)	
	30.1	23.1	
Minority Interests	(9.7)	(7.9)	
ATTRIBUTABLE PROFIT before extraordinary items (Note 2)	20.4	15.2	34
EARNINGS PER SHARE	22.2p	19.3p	15

Notes

1. Turnover The amount included in respect of the Associated Companies' turnover is £60.2m (1974 £27.5m).

2. Extraordinary items It is anticipated that there will be a significant net credit of extraordinary items which will chiefly arise from currency realignments.

Lonrho Limited, London EC2V 6BL 27 November 1975

INTERIM STATEMENT

London & Midland Industrials Ltd

Record profits have been achieved

Results for the half year to 30 Sept. 1975 (unaudited).

	6 months Sept. 1975 £'000	Sept. 1974 £'000	Year to 31 Mar. 1975 £'000
Group turnover	6,582	5,739	12,248
Profit before Tax	629	510	1,259
Extraordinary items	(1)	12	48
Taxation	327	265	646
Available to Ordinary Shareholders	287	228	541

- *Interim Dividend* increased to 1.6p per share.
- Earnings per share increased to 5.5p (4.1p) for half year.
- Group sound financial position further improved.
- All Group companies continue to operate well.

London 27 November 1975. C. M. Beddow, Chairman.

LMI Ltd 45 Nottingham Place London W1M 4BL

ISSUE NEWS AND COMMENT

Amber Day £½m. rights at par

Amber *Day proposes* to raise £½m. by a rights issue on the basis of one-for-one at par, 10p. At the same time holders of the 800,000 Preferred Ordinary shares of 10p will be asked to convert into Ordinary shares on the basis of 11 Ordinary for eight Preferred.

Holders of Preferred shares will be able to participate in the rights *as if they had already converted* into the Ordinary, and holders of the Redeemable Preference shares will be entitled to subscribe in aggregate for 267,378 *Ordinary shares.*

The rights will involve the allotment of 3,181,378 *new shares,* and after the conversion of the Preferred shares, the issued *capital* will be £1,000,538, giving Trustee status for the first time.

Treasury permission has been obtained to increase the total net dividends for the year to April 30, 1976 to 2.08p per share. The new shares will not rank for the interim to be declared in January.

Proceeds of the issue will enable expansion of productive capacity and further acquisitions. The issue *is not underwritten.*

● comment

Amber Day's rights issue at par *nearly trebles the yield* to a prospective ex-rights figure of 11.1 per cent., after the shares shed 3p to 48p last night. This puts Amber a good point above Raybeck's yield. The £½m. to be raised looks fairly modest against last year's cash flow of £0.8m., and net borrowings are evidently little different from the £0.88m. of the last accounts. But the sum *to be raised is what Amber Day* considers sufficient to cover expansion plus the £200,000 needed to redeem the Preference shares next year. On maintained profits the *dividend will be covered 1.6* times *on* the enlarged capital.

W. Runciman rights at 92p

Underwriting has been completed for a rights issue by Walter Runciman of 1,420,830 shares at 92p per share, on the basis of two-for-seven.

The *proceeds of the issue* will be used to reduce short-term in-*debtedness and to further* development in the operation divisions. The Directors state that while the security and insurance sectors will both make important contributions to group profits, the shipping operation will continue to provide the greater part. The Directors consider that the shipping division is well protected against the difficulties and uncer-*tainties that exist in some sectors* of the shipping market.

Walter Runciman has already announced interim pre-tax profits of £1.5m. against £1.1m. and the Directors are confident that the annual results to December 31, 1975, will surpass last year's record £2.5m. The dividend would be increased by the maximum permitted amount over last year 8.67p per share gross. Total indebtedness on October 31 1975 was £19.3m.

The issue has been underwritten by Lazard Brothers. Brokers are Hoare and Co. Govett.

A. A. Asphalt doubles profit—£0.3m. rights

Anglo American Asphalt is to raise £0.3m. by a rights issue of 300,000 new Ordinary 25p shares on the basis of one-for-four at 100p each. Proceeds will be used to finance part of the cost of a new pipeline enamel plant at Falkirk.

Also, announcing doubled interim pre-tax profits to £335,000, *Anglo American forecasts* that excluding results attributable to the holding in Glossop, profits for the year to March 31, 1976 should substantially exceed the previous year's £346,000.

The directors are declaring an interim dividend of 0.87p per share, and subject to unforeseen circumstances they intend to recommend a final of 5.63p per *share net to make a total of* [illegible] against last year's 1.9942p.

They have been informed that Construction Trade Investments has sold its holding of 425,[illegible] Ordinary shares (35.5 per cent.) to a number of institutions, none of which now holds more than 10 per cent. of the capital.

The issue is underwritten by County Bank.

	Six months 1975 £000	1974 £000	Year [illegible]
Turnover	3,644	3,398	[illegible]
Trading profit	315	229	[illegible]
Share associate	56	—	[illegible]
Int. payable	36	77	[illegible]
Profit	**335**	**167**	[illegible]
Taxation	170	85	[illegible]
Net profit	165	82	[illegible]
Extraord. credits	—	—	[illegible]
Pref. div.	3	3	[illegible]
Attrib. to Ord.	**162**	**79**	[illegible]

RAYBECK—97.6%

Raybeck has received acceptances for 97.61 per cent. of the shares offered by way of rights on the basis of one-for-one at [illegible] each. The balance have been sold at a premium and the net proceeds will be distributed to entitled shareholders.

Jeavons

Profits of civil engineering contractors and manufacturers E. E. Jeavons and Co. have fallen from £263,000 to £166,000 in the half year ended September 30. 1975.

The directors state that the liquid position is very strong and provided "they have positive instead of negative policies from the Government" they could look forward to the future with confidence.

The interim dividend is again 0.75p net per 25p share; last year's final was 1.69p.

INTERIM STATEMENT

ICI

First nine months' results

The Board of Directors of Imperial Chemical Industries Limited announce the *following unaudited figures* of the trading results of the Group for the first nine months of 1975 with comparative figures for 1974.

1974 First Nine Months £ millions	1974 Year £ millions		1975 First Nine Months £ millions
2,209	2,955	SALES TO EXTERNAL CUSTOMERS	2,279
373	455	PROFIT BEFORE TAXATION & GRANTS	224
123	169	After providing for: Depreciation	130
—167	—201	Taxation less investment grants	—84
10	14	Regional development grants	19
216	268	PROFIT AFTER TAXATION & GRANTS	159
—	—6	Extraordinary items	—5
216	262		154
—16	—19	Applicable to minorities	—16
200	243	PROFIT AFTER TAXATION & GRANTS APPLICABLE TO IMPERIAL CHEMICAL INDUSTRIES LIMITED	138

Group sales in the first nine months of 1975 comprise sales in the U.K. of £964m. (1974 £903m.) and overseas sales of £1,315m. (1974 £1,306m.). The fob value of exports during the first nine months of 1975 was £420m. (1974 £489m.).

The profit before taxation for the first nine months of 1975 includes a credit of £13m. from the conversion into sterling of *the net current assets of overseas subsidiaries; a further credit* can be expected in the fourth quarter.

The continuing low level of economic activity at home and overseas has adversely affected trading conditions in most sectors and territories. The resulting fall in the volume of *sales, together with the inability fully to recover cost increases* in higher selling prices, has depressed profits.

The following table summarises the quarterly sales and profits before taxation:

		Group sales £ millions	Group profit before tax £ millions
1974	1st Quarter	661	122
	2nd Quarter	783	132
	3rd Quarter	765	119
	4th Quarter	746	82
	YEAR	2,955	455
1975	1st Quarter	748	80
	2nd Quarter	754	78
	3rd Quarter	777	66

If adjustments were made, by using general purchasing power indices, for the impact of current inflation on these figures, Group profit before tax of £224m. would be reduced by approximately £190m.; this compares with a corresponding reduction of £123m. for the whole of the year 1974 in the conditions of inflation which existed then.

The charge for taxation in the first nine months of 1975 consisted of £60m. *of corporation tax, £35m. overseas tax* and £3m. of tax on principal associated companies, less a credit of £14m. for investment grants.

Results for 1975

The trading results for the year 1975 will be announced on 19 February 1976.

RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid Up	Latest Renunc. Date	1975 High	1975 Low	Stock	Closing Price p	+ or −	Div. Amount	Times Covered	Gross Yield	P/E Ratio
‡	F.P.	—	169	105	Corn Exchange	105	......	b1.62	2.5	1.5	—
‡R5	F.P.	7/11	380	275	Elandsr'd G'd Mini'g 20c	280	......	—	—	—	—
—	F.P.	—	£51⅞	£31½	Hughes Tool $1	£31½	......	Q40c	—	0.6	—

FIXED INTEREST STOCKS

Issue Price	Amount Paid up	Latest Renunc. Date	1975 High	1975 Low	Stock	Closing Price	+ or −
£99¼	£50	30/1	50	49⅛	Bristol (City of) 13¾% Deb. Stk. 1981	49¾	......
£99¼	£30	11/2	30¼	29¼	Coventry City of, 15¾% Red. Stck. 1980	30¼	+¼
£98	£10	23/1	12	11⅛	Essex Water 9% Red. Pref. 1981	12	......
‡£100	F.P.	15/10	133⅛	115	Haslemere Est. 10¼% '90-5	128	......
£100	£50	9/1	51⅛	49⅞	Islington 13½% Red. Stk. 1980	51	......
£100	£50	9/1	49¾	47½	Do. 14% Red. Stk. 1985/6	48	+¼
‡HK$100	Nil	—	35p	25p	Jardine Math. 7½% Conv. Uns. 1990	25pm	−10
††£98	F.P.	28/11	100	98¾	Lee Valley Water 9% Red. Pref. 1980	100	......
$US100	F.P.	—	100	98⅛	Midland Bank Float Cap Notes '82	100	......
$C100	F.P.	—	98¼	98	Noranda 9½% Notes 1980	$C98½	......
$CS100	F.P.	—	102½	98	Do.	$US102¾	......
£98	£25	23/1	28	28	Norcros 15¼% Deb. 1990/95	27¾	......
‡50p	F.P.	17/11	50¼p	45p	Singlo 10% Cum. Conv. Pref.	47p	......
£100	F.P.	28/11	120	100	Sparella 14% Conv. 1990	112	......
$US100	F.P.	—	98	98	Trans Union Fin Can 10½% notes 1980	$C.98	......
£98	F.P.	31/10	99½	98	York Waterworks 9% Red. Pref. 1980	99	......

"RIGHTS" OFFERS

Issue Price p	Amount Paid up	Latest Renunc. Dates		1975 High	1975 Low	Stock	Closing Price p	+ or −
30	F.P.	14/11	5/12	35½	30	Amal. Distilled Products	30	−1
25p	Nil	11/12	5/3	103	94	Bertisford (S. & W.)	95pm	−5
33	Nil	5/12	7/1	29	18	Berry Wiggins	18pm	−6½
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	British Home Stores	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Cape Inds.	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Capper-Neill	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Charles (David)	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Debenhams	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Fenner (J.H.)	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Harrisons & Crosfield	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	L.C. Gas	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Ibstock Johnsen	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Kwik Save Discount	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Lighting & Leisure	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Nat. Bank of Aust.	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Northern Foods	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Peacock Assoc.	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Raybeck	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Trust Bank Africa	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Watson & Philip	[illegible]	[illegible]
50p	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Weir Group	[illegible]	[illegible]

Renunciation date usually last day for dealing free of stamp duty. [illegible]

ADVERTISEMENT

The Plessey Company Limited and L.S.I. (Electronic Systems) Limited announce, following settlement of a dispute between themselves and General Instrument Corporation of America and General Instrument Microelectronics Limited, that the following metal oxide semiconductor circuits have been withdrawn from the market:

MP9100 Push button telephone dialler
MP9200 Repertory telephone store
MP1013A Universal asynchronous receiver/transmitter

The equivalent circuits AY-5-9100, AY-5-9200 and AY-5-1013/1013A can be obtained from General Instrument Microelectronics Limited.

PLESSEY Semiconductors

Pressac

Electro-Mechanical Component Manufacturers

Year ended 31st July	1975	1974
	£'000	£'000
Turnover	3,830	3,793
Group profit before tax	338	700
Group profit after tax	153	329
Retained profit for the year	65	247
Dividend	*3.37p	*3.06p

*Including associated tax credit

In spite of the reduction in the output of the industries we serve, we succeeded in marginally increasing our turnover. However, although we substantially enlarged our share of the available business this did not compensate for the reduced demand which, together with the necessity to absorb many of the cost increases, resulted in reduction of Group pre-tax profits.

We are now established over a broader base and our programmes of development and tooling were never greater.

We maintain our position as the main supplier of the various products and services in which we specialise. Despite the uncertainties obscuring the short term, we have confidence in our future and we shall continue to invest selectively where opportunities arise.

G. W. CLARK, Chairman

COMPANY NEWS IN BRIEF

GENERAL STOCKHOLDERS INVESTMENT TRUST—Total income year ended October 31, 1975, £307,103 (£291,216). Expenses and interest £41,419 (£39,472). Taxation £132,802 (£108,818). Available for dividends £152,881 (£137,926). Preference dividend £49,087 (£49,087). Available Ordinary £103,794 (£88,839). Ordinary dividends £91,000 (£81,200). Net asset value per share 88.4p (62.8p).

GILGATE HOLDINGS—Net loss, year ended June 30, 1975, £119,000 (£55,000), before extraordinary charges of £91,000 (£91,000). Investment properties £1.38m. (£1.7m.). Bank overdrafts £1.05m. (£0.85m.). Meeting, Europa Hotel, W., December 18, at noon.

H. J. RILEY (makers of billiards tables)—Final 0.7p, making 1.45p, equivalent to 2.196p gross (1.96p). Turnover, year ended July 31, 1975, £4,896,259 (£2,931,164). Pre-tax profit £350,710 (£239,513). Credit extra-ordinary items £32,492 (debit £12,758). Tax £208,113 (£138,311). Retained £157,689 (£84,344). Earnings per share 15.17p (9.48p). Chairman says results for the first three months compare unfavourably with last year, but every effort being made to improve position. Company no longer close.

LONDON AND LENNOX INVESTMENT TRUST—Interim dividend 0.35p (same) net for the half-year ended September 30, 1975. Income from investments £191,037 (£147,721). Bank and loan interest £56,327 (£21,223). Gross revenue £247,364 (£168,944). Net revenue after expenses and estimated taxation £88,050 (£51,029). U.K. tax £52,575 (£32,435). Interim dividend £23,672 (£23,264). Earnings per 25p share 1.31p (0.71p). Net asset value per Ordinary and "B" share after deducting prior charges at par at September 30, 1975 67p (53p) at March 31, 1975).

LONDON PRUDENTIAL INVESTMENT TRUST—Interim 0.8375p net (same). Revenue six months to October 31, 1975, £109,514 (£110,330), less expenses £20,888 (£16,186) and taxation £32,069 (£34,360). Net earnings for Ordinary £56,557 (£59,794) —equal per 25p share to 0.95p (1.00p). Valuation of investments (including net current assets) £3,969,978 (£3,776,204 at April 30, 1975). Net asset value per share 61p (55p).

NEWMAN GRANGER INDUSTRIES (precision engineers and makers of car jacks, etc.)—Results, year ended July 31, 1975, reported November 11. Group fixed assets £931,489 (£867,073). Net current assets £520,101 (£186,226). Order books are not as full as last year, but the first quarter of 1975-76 has not been unsatisfactory. Meeting, Nottingham, December 18.

WESTPOOL INVESTMENT TRUST—Revenue for Ordinary holders, six months ended October 31, 1975, £91,900 (£92,000), after tax £49,888 (£46,500). Interim dividend—0.575p already declared—cost £56,680 (£56,685). Total net assets £10m. (£6.31m.). Net asset value per share 100p (52p) or 102p (60p) assuming full conversion of loan stock, including 17p (10p) in respect of currency premium.

ROSEHAUGH COMPANY—Dividend per 25p share 0.91p for year ended June 30, 1975 (0.838p). Gross revenue less bank interest £23,378 (£34,260). Taxation for the year £7,116 (£5,990). Net revenue £12,311 (£14,587). Dividend £13,791 (£14,215). Net earnings per share 0.812p (0.977p). Net asset value per share 18.05p (22.38p)—excludes the funds in Sri Lanka.

Airfix ahead by 46% after six months

THE SIX MONTHS to September 30, 1975 at Airfix Industries, the toy, footwear, household accessory and packaging group, resulted in a pre-tax profit rise of 46 per cent. from £1.03m. to a record £1.51m. and chairman Mr. Ralph Ehrmann reports that trading continues to be satisfactory.

The interim dividend is stepped up from 1.0288p to 1.1p net per 20p share. Last year's total was 2.787p from profits of £2.6m.

	Half-year 1975 £000	Half-year 1974 £000	Year 1974-75 £000
Turnover	15,935	11,274	24,452
Trading profit	2,860	1,897	4,586
Interest	409	267	576
Depreciation	784	596	1,207
Profit before tax	1,667	1,034	2,603
Minority	160	—	—
Attributable	1,507	1,034	2,603
Taxation	786	538	1,293
Net profit	721	496	1,310

Results include a first contribution from Plasty-Spielzeug, the German toy company 60 per cent. owned by Airfix. Figures do not include the results for Tri-ang Pedigree (1971).

● comment

A £200,000 first time contribution from the 60 per cent. German interest Plasty, plus the benefits of last year's development programme have pushed Airfix's first-half profits up by 46 per cent. before tax. Cost savings resulting from new equipment have also enabled the group to achieve a small improvement in profit margins—from 9.1 per cent. in the first half to 9.45 per cent. The group's non-toy interests have also apparently increased their contributions on the back of the recent re-equipment exercise, and given that the group is anticipating a more profitable Christmas period this year there seems no reason why the first half improvement should not be maintained for the full year. This means that the year's dividend on the non-voting shares at 78½p, yielding 6.1 per cent., should be covered about four times.

Hicking Pentecost

First half (to October 4, 1975) pre-tax profit of Hicking Pentecost and Co. decreased marginally from £167,401 to £163,716, and stated net earnings per 50p unit were down from 3.76p to 3.67p.

The interim dividend is stepped up from 1.5p to 2p net to reduce disparity. For the year to March 31, 1975, a total of 5.089p was paid from profits of £301,034.

The knitwear division was satisfactorily employed and profits are ahead. The directors expect to maintain the present level of profitability, says the chairman, Mr. A. J. Pentecost.

After a low demand there was a sharp increase in the warp knit division in September. Further machinery was installed and orders are sufficient to maintain a higher level of production throughout the remainder of the year.

During the latter part of August anticipated increased activity in the dyeing division resulted in it returning to normal profitability. Some departments have their full production committed for the next four months —an unusual situation and an improvement on last year.

The company continues to work well within financial facilities available and a reduction of bank interest charges should continue, the chairman adds.

	Six months 1975 £	Six months 1974 £
Turnover	3,202,570	2,899,221
Profit	185,409	201,528
Interest charges	21,693	34,427
Pre-tax profit	163,716	167,401
Taxation	85,600	87,310
Net profit	78,116	79,091
Interim dividend	42,528	31,897

600 Group first half downturn

GROUP PROFIT, before tax, of The 600 Group decreased from £5.07m. to £3.7m. in the 28 weeks to Oct. 11, 1975, after higher interest charges.

While it is certain that the year's results will not be as good as last year (£10.23m. pre-tax for the year to March 31, 1975), the chairman, Sir Jack Wellings, "still expects a satisfactory year allowing for present conditions."

He points out that the recession in the U.K., together with the serious downturn in the steel and construction industries, affected home trade in the first half, especially the iron and steel division.

However, at this stage, results from the machine tool and engineering divisions are better than for the corresponding period.

Exports continue to increase and the overseas companies are doing well, he adds.

The interim dividend is lifted from 1.4p to 1.5p net per 25p share. Last year's total was 3.0615p.

	28 weeks 1975 £000	28 weeks 1974 £000	Year 1974-75 £000
External sales	78,000	76,000	151,969
Operating profit	5,934	6,793	13,641
Depreciation	1,027	952	1,776
Interest charges	1,205	770	1,637
Profit before tax	3,702	5,071	10,228
Taxation*	1,850	2,614	5,222
Minority	227	319	608
Extraord. debits	—	—	207
Attributable	1,625	2,138	4,191
Preference div.	46	46	93
Ordinary	540	+503	†1,100
Retained	1,079	1,636	3,044

* Includes Overseas £479,000 (£420,000).
† Before £46,000 discharged by issue of shares.

● comment

Trading profits in the 600 Group have fallen by 13 per cent., but a 57 per cent. jump in interest charges (compared with a 2½ per cent. rise in turnover) has widened the shortfall at the pre-tax level to 27 per cent. The iron and steel division has had a predictably rough time—the effects of a fall of over a third in ferrous scrap prices are partly reflected in a 29 per cent. drop in minorities —but exports have helped to keep machine tools and engineering (some 47 per cent. of profits last year) moving ahead. In view of the continually deteriorating position in industrial new orders, both at home and abroad, it may be difficult to sustain either the position in machine tools or the overall level of profits in the second half. Pre-tax profits should top the £7m., however, where the prospective p/e at 58p, down 2p last night, is 7. Coupled with a maximum yield of 9.1 per cent., covered over 3½ times, the shares have some attractions.

Expansion at Anderson Strathclyde

ELECTRICAL mining and mechanical engineers Anderson Strathclyde is showing progress in the current year. For the 26 weeks ended September 27, 1975 profits have reached £1.31m., compared with 1.05m. in the corresponding 28 weeks.

The trend of higher interest charges was reversed. Stringent controls have enabled a substantial reduction to be made in the physical volume of stocks; as a result, the increase in value of inventories was contained below £1m. Pressure on cash resources has been alleviated by this, by deferment of tax through stock relief, and by some improvement in profitability. In addition, borrowings were reduced by the rights issue proceeds, but only during two months of the period.

The value of export sales at £2.63m. was over £2m. lower but the reduction would have been substantially less had it not been for delays outside Board control. It is expected, however, that the value of exports for the whole year will be no less than in 1974-75.

	26 weeks 1975 £000	28 weeks 1974 £000	Year 1974-75 £000
Turnover	16,440	14,751	31,153
Trading profit	1,549	1,328	3,270
Interest paid	235	274	629
Profit	1,314	1,054	2,641
Taxation	683	548	1,625
Minority loss	—	—	4
Attributable to	631	506	1,019

The interim dividend is held at 3.5p net per £1 share on the increased capital costing £277,000 (£207,000). Total for 1974-75 was 8.5p.

To increase marketability it is proposed that the shares be subdivided into 25p shares.

● comment

Despite a sharp downturn in export orders, Anderson Strathclyde has managed a 25 per cent. pre-tax gain on a sales advance of 11 per cent. The strength therefore lies in the U.K. where the NCB is committed to a substantial capital expenditure programme over the next ten years. However, the first half of last year was somewhat depressed by industrial problems so the impact may not be so great in the current half. Still, exports should be stronger since delays in shipping held up £1m. of orders in the first half, while the rights proceeds will save some £120,000 in interest charges. Moreover, Anderson seems to have overcome the effect of inflation on stocks so the financial picture should be somewhat sounder. The shares at 155p yield 8¼ per cent.

Peak £62m. by Lonrho—20% scrip issue

ANOTHER YEAR of record profits, and a one-for-five scrip issue proposal, are announced by Lonrho, the British-based group with agricultural and industrial interests throughout Africa, the U.K., Europe and the Middle East.

During the year ended September 30, 1975, group pre-tax profits rose to £62m., a 33 per cent. increase on the £46.5m. achieved in the previous year, after being up from £27m. to £35.2m. in the first nine months. Turnover gained 70 per cent. to £592.5m., including £60.2m. (£27.5m.) from associates.

	1974-75 £m.	1973-74 £m.
Turnover	592.5	349.2
Profit	62.0	46.5
Group	54.4	39.7
Associates	7.6	6.8
Tax	31.9	23.4
Minorities	9.7	7.9
Attributable	20.4	15.2

The attributable profit balance is before extraordinary items—it is anticipated there will be a significant net credit from these which will chiefly arise from currency realignments.

The next dividend distribution will be considered at a Board meeting to be held in January.

Net attributable earnings increased by 34 per cent. to £20.4m. giving stated earnings of 22.2p against 19.3p per 25p share.

The directors report that general trade, agricultural and financing interests, all contributed to the higher profits. Turnover and profits of recent acquisitions have been included from the dates on which they were acquired.

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Setback for Hay's Wharf

AFTER INTEREST and other costs relating to new trading projects up from £144,000 to £512,000, profit before tax of The Proprietors of Hay's Wharf, fell from £3,696,000 to £2,232,000 in the year ended September 30, 1975.

Stated earnings per £1 share, based on profit before extraordinary items, were down from 14.32p to 9.71p. The net final dividend is lifted from 2.858p to the maximum permitted 3.137p a share, stepping up the total from 4.151p to 4.430p.

At halfway, when taxable profit was £1,743,000, against £1,730,000, the directors said results for the second quarter were affected by industrial troubles in the Port of London, but that the London companies were then recovering from the worst effects of the troubles.

Agreement has been reached with the Finance Corporation for Industry for a ten-year loan of £5.4m., the directors report. The loan will be used mainly to refinance temporary loans incurred during the year to expand the company's whisky business, and extend its bottling plant in Dunbarton. Of the loan £4m. will be taken up in December with the balance being borrowed over 12 months. Repayment will be over the last five years.

Cost of repaying the outstanding debenture stocks—resolutions to repay and cancel the stocks were approved by stockholders on November 21—will be approximately £1.28m.

	1974-75 £000	1973-74 £000
Group turnover	38,500	31,000
Trading profit	2,541	3,722
Share associates	203	118
Making	2,744	3,840
Pre-operational int. and other costs relating to new projects	512	144
Profit	2,232	3,696
Taxation	533	1,238
Net profit	1,699	2,458
Minorities	2	6
Attributable	1,697	2,452
Extra-ord. debits	243	151
Net surplus	1,454	2,301
Pref. dividends	91	91
Ordinary	730	684

Group companies are engaged in storage and distribution, oils and chemicals, cold storage, marine services and real estate.

Barratt Devl.

Shareholders in Barratt Developments were told by the chairman, Mr. L. A. Barratt, at the annual meeting that during the first four months of the current year trading results were extremely good with the number of houses built and sold showing a substantial increase on the same period last year.

Furthermore, these record trading results were accompanied by a strong forward sales position with the number of forward house sales legally contracted showing an increase of 40 per cent.

French Kier writes off further £3.06m.

A REDUCED loss of £280,000, against £4.3m., was incurred by French Kier Holdings in the first half of 1975, but after special debits—notably £3.06m., against £1.6m., written off development land—the pre-tax loss becomes £3.8m., compared with £2.4m. after crediting £3.5m. ex gratia grants from the Department of Environment.

The £280,000 loss is in line with the July forecast, says the chairman, Mr. J. C. S. Mott, and he now indicates a small trading profit for the year before write-offs and exceptional items. For the year 1974 there was a trading loss of £10.62m. and a pre-tax loss of £2.41m.

Turnover for the half year increased from £64.5m. to £76.5m. —last year's total was £135.4m.

As before there is no interim dividend, and the directors anticipate only a nominal payment (0.65p net for 1974) to maintain trustee status.

	Six months 1975 £000	Six months 1974 £000	Year 1974 £000
Turnover	76,500	64,500	135,400
Contracting, etc.*	500	3,803	10,977
Development and invest. loss*	1,430	1,500	2,274
Kier group profit	1,650	1,000	2,305
Group loss	280	4,303	10,616
Ex-gratia grants	—	3,500	9,500
Off develpmt. land	3,060	1,000	1,519
Losses prop. and invest. sales	423	—	†335
Currency losses	35	—	†10
Provs. against loan	—	—	42
Loss before tax	3,888	2,403	2,413
Deferred tax credit	1,290	1,390	1,589
Overseas tax	115	165	390
Loss after tax	2,713	1,178	1,223
Minority profits	90	25	74
Attrib. loss	2,805	1,203	1,297
Dividends	—	—	23
Debit balance	2,805	1,203	1,320

*French group. † Profit.

In the later months of 1974 and the early months of 1975, the two problem areas within the French group were identified and the extent of the financial difficulties quantified. Those within W. and C. French (Construction) were resolved and that company is now moving towards a break-even position at the year end. Substantial progress has been made towards completion of its motorway and trunk road contracts which were the cause of the difficulties.

The other problem area identified was within the development and property investment companies. In the current economic climate, they were unable to generate sufficient trading profits to cover interest payable, but all obligations have been met as and when due. In the second half of this year two substantial completed development projects were realised, which with various smaller land disposals, will result in interest reductions next year, says Mr. Mott.

The J. L. Kier companies again traded profitably with the Robert Marriott Group giving a strong performance. The six-month result of those companies in aggregate is an improvement.

It is anticipated that no drawing against the Convertible Loan facility of £4.5m. available from the Department of the Environment will be made in 1975. The group also has unused negotiated facilities and cash holdings amounting to £12m. although these are not freely transferable between all group companies.

Provision has been made at the half-year for further amounts to be written-off development land of £3.1m. and off property, etc., held as fixed assets of £0.4m. It is anticipated that these provisions will be the total amount at the year-end when the position will, however, again be reviewed, the chairman adds.

● comment

There are no fresh shocks in the French Kier interim statement. The renewed land bank write-downs must have been widely expected, while group attributable losses of £2.8m. look relatively manageable in relation to the prospect of profits in the current six months. Kier continues to power away, and this half FK reckons the French construction side can wipe out its losses. In theory this effectively confines the major running sore to the property/housing operations. But land disposals and the sale of two "substantial" completions could conceivably improve the bleak outlook here. Meantime, FK is capitalised at £4.3m. with the shares unchanged yesterday at 9p. Net borrowings are currently a bit down on December's £27.2m., and the interim losses trim net worth to around £16.6m.

Confidence at McLeod Russel

Taking all factors into account, and having regard to the amount of tea already sold, Sir John Brown, chairman of McLeod, Russel and Co., tells members that the directors look forward with "some confidence" to a satisfactory profit for the current year.

Crops from the group's Indian estates to September 30, 1975 are slightly down on last year but continuing "satisfactory" price levels should counteract increased costs, he says.

During the past year the directors have been making plans for the flotation of a company incorporating the group's remaining seven subsidiaries operating in India which they hope will receive Indian Government approval shortly. Future income would therefore consist of dividends, with outstanding loan account balances being repatriated to the U.K. within a reasonable period.

It was announced last month that discussions were taking place between James Finlay and Co. and the group regarding a possible rationalisation of investments in the Finlay Tea Associates and Sir John says he hopes there may be a further joint announcement before the AGM in December.

As reported on November 19 trading profit for the year to March 31, 1975 surged ahead from £903,941 to £2.5m. and the dividend is raised from 5.5p to 5.8694p net per £1 share.

A percentage analysis of taxable profit of £2.42m. (£1.28m.) shows: tea producers 103.3 (65.5), secretaries and agents 6.3 loss (0.8), packaging 1.1 loss (2.9 profit), steel stockholding nil (1.6), investment income 4.7 (7.8), sale of investments 0.4 (13.6 loss), written off investments 4.1 (nil), property dealing 0.1 (36.1) and associated company 3 (nil).

Meeting, Victoria House, W.C., on December 22 at noon.

British Steam Specialties downturn

ON TURNOVER up from £9.15m. to £9.98m. pre-tax profit of British Steam Specialties Group, suppliers of pipeline equipment, fell from £571,000 to £506,000 in the half-year to September 30, 1975.

Costs of the one-for-four rights issue made in July and estimated at £34,500, have been excluded and will be treated as extraordinary items in the full accounts for the year.

The interim dividend, payable on the share capital as increased by the rights issue, is maintained at 1.5p net per 20p share, absorbing £128,000. Last year's dividends totalled 4.6p on a record profit of £1.42m. and the directors have already forecast dividends of not less than that rate for the current year.

	Half-year 1975 £000	Half-year 1974 £000
Turnover	9,984	9,151
Profit before tax	506	571
Tax	263	297
Net profit	243	274
Dividend	128	101
Unappropriated	115	173

JOHNSON FIRTH BROWN

Holders are reminded that proxies must reach Johnson and Firth Brown's registrars by Monday, December 1, for the meetings to be held on Wednesday, December 3, to approve the early conversion of the 9¼ per cent. convertible.

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INTERIM STATEMENT

Brickhouse Dudley

Improved results

Half year to	30.9.75 £'000	30.9.74 £'000
Sales	8,177	6,140
Profit before tax (unaudited)	750	710
Profit after tax (estimated)	360	341
Dividend	95	89
Dividend per share	0.6334p	0.5936p

J. Goodridge, Chairman and Managing Director, reports:–
A further improvement in earnings and turnover.
There is continued growth in exports.
The interim dividend has been increased by 10%, the maximum allowed, and will be paid on 6th January, 1976 to Shareholders on the register at 12th December, 1975.

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APOLLO

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Aurora HOLDINGS LIMITED

Record profit – strong liquidity

12 months to 30th June	1975 £'000	1974 £'000	1973 £'000
Group Sales	15,456	12,377	8,303
Profit before tax	1,385	1,268	409
Profit after tax	664	648	219
Earnings per 5p share (undiluted)	2.79p	3.31p	1.30p
Net dividend per share	.78p	.67p	.613p

Points made by the chairman, Mr. R. Atkinson
* Record Profits
* Significant improvement in gearing
* Reduced borrowings improving liquidity
* Further rationalisation
* Increased final dividend

Aurora Holdings Limited 61 Manchester Road Sheffield S10 5DY

ICI turns in £224m. after nine months

IN THE *third quarter of 1975*, Imperial Chemical Industries has turned in profits of £66m., a reduction of £53m. on the corresponding 1974 period.

This gives a total of £224m. for the first nine months, compared with £373m. last time and with £454.8m. for the whole of 1974.

The directors state that the continuing low level of economic activity at home and overseas has adversely affected trading conditions *in most sectors and territories*.

The resulting fall in the volume of sales, and the inability fully to recover cost increases in higher selling prices, has depressed profits.

If adjustments were made, by using general *purchasing* power indices, for the impact of current inflation on the figures, the profit of £224m. would be reduced by about £190m. This compares with *a corresponding reduction of* £123m. for the whole of 1974 in the conditions of inflation which existed then.

Sales for the third quarter were £777m., against £765m., and for the nine months the total was up from £2.21bn. to £2.28bn. The latter figures comprised U.K. £964m. (£903m.) and overseas £1.31bn. (£1.3bn.). F.o.b. value of exports come to £420m. (£489m.).

	Nine months 1975 £m.	1974 £m.
Sales	2,279	2,209
Depreciation	1.0	125
Profit before tax	224	373
Taxation	*81	167
Regional devel. grants	19	10
Net profit	159	216
Extraord. debits	5	—
Minorities	16	16
Applicable ICI	175	200

* Comprises 160m. corporation tax, £35m. overseas and £5m. principal associated companies less credit £14m. for investment grants.

The nine months profit includes £13m. from the conversion into sterling of the net current assets of overseas subsidiaries. A further credit can be expected in the final quarter.

Results for the year 1975 will be published on February 19.

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Lawdon assets to be valued independently

In view of the continuing uncertainties surrounding the property and housing markets the *directors of Lawdon have* requested an independent valuation of land and properties.

They wish to give due consideration to this valuation *prior* to publication of the 1974-75 accounts; therefore publication is to be delayed but it is hoped to have accounts available during December.

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends concerned are interims or finals and the sub-division *shown below is based mainly on last* year's timetable.

TO-DAY

Interims: Bibby and Baron, CH Industrials, Rediffusion, William Reed, Tranwood, United Capital Investment Trust.

Finals: Barranquilla Investments, Granada, Plaxtons (Scarborough), Robinson Rentals, Tomkinsons.

FUTURE DATES

Interims:—

Bristol Plant	Dec. 1
British Building & Eng. Appliances	Dec. 5
Crellon	Dec. 1
Morgan Grampian	Dec. 3
Renwick	Dec. 4
Standard & Chartered Bank	Dec. 2
Whitbread Investment	Dec. 3
Finals:—	
Stocklow (A.) & J.	*Dec. 1

* Amended.

Carding's first half improvement

On a reduced turnover of £3.29m., against £3.95m., group pre-tax profit of Carding Group advanced from £116,000 to *£141,000, and stated net earnings* per 5p share increased from 0.22p to 0.3p.

The results of the year to March 31, 1976 are mainly dependent upon the motor division and its ability to maintain profits. Property investment income should continue to accrue at the present rate—although it is negotiating a *number* of sales there is little expectation of profit in this division due to the continuing uncertainty in the property market and *high* interest charges.

However the group is benefiting from a reduction in borrowings, the directors report.

Due to company legislation, the directors cannot recommend any dividend in respect of the current year until the full year's results *are known. Last year an interim* of 0.21p net, but no final, was paid. For that year a loss of £379,000 was incurred reflecting a trading loss of £464,000 by the property division.

	Half-year 1975 £000	1974 £000	Year 1974-75 £000
Motor sales	2,424	2,561	5,501
Property	467	1,099	2,541
Total turnover	3,791	3,952	8,044
Motor profit	246	220	406
Property loss	32	*14	464
Property inv. inc.	146	203	306
Interest payable	177	204	382
Loan stock int.	22	23	17
Profit before tax	161	116	†379
Taxation	71	66	‡169
Net profit	70	50	*210

* Profit † Loss. ‡ Credit.

WEBB-NASH

The annual meeting of Webb-Nash approved the change of name to Roche Securities and the *increase in authorised Ordinary* capital to £403,333. The increase is to facilitate the acquisition of Conveyor Truck Services (Holdings).

Richards turns in £0.55m.

FOR THE year ended September 30, 1975 Richards, the Aberdeen-based textiles group, reports an advance in pre-tax profits from £451,876 to a peak £545,667 after being *behind from £202,000 to* £198,000 at midway.

The total net dividend is raised from 0.79p to 0.843p per 10p share with a *final payment of 0.668p*.

	1974-75 £	1973-74 £
Turnover	7,692,592	6,754,936
Trading profit	860,482	816,339
Group profit	545,667	501,426
Associates losses	—	49,550
Profit before tax	545,667	451,876
Tax	267,431	245,463
Extraordinary debits	61,000	21,737
Net profit	217,236	184,676

All divisions contributed to the year's results, and indications for the first quarter of the current year are "encouraging," say the directors.

Scottish Investment Trust

NET PROFIT, after tax, of the Scottish Investment Trust amounted to £673,337 for the year to November 5, 1975, compared *with £721,709 previously, giving* stated earnings per 25p Ordinary stock unit of 2.07p against 2.23p.

A final dividend of 1.535p *maintains the net total at 2.05p per* unit.

The £800,000 5 per cent. Redeemable debenture stock 1970-75 was repaid at *par* on May 1 last.

At November 5, 1975, investments had a market value of £32.1m. (£21.9m.) including, where applicable, the full investment currency premium of £6.1m. (£3.9m.). Net asset value per Ordinary unit cum dividend, after prior charges at redemption values, was 100.2p (62.6p) including premium liable to surrender on sale of foreign securities of 4.8p (2.9p).

	1974-75 £	1973-74 £
Net profit	673,337	721,709
U.K. tax charged	465,201	436,872
Gross interest charged	49,362	53,023
Preference dividends	51,625	51,625
Ordinary dividends	615,000	615,000

Judge well equipped

ALL COMPANIES in the *Judge* International group now have modern, well equipped factories with capacity to meet future needs.

The group is in a position to take full advantage of any improvement in the economy, and to reach the levels of activity planned, says the chairman Mr. L. Ressler.

On the current year, he reports a good improvement in the U.K. *and Canadian housewares orders*, but prospects are overshadowed by uncertainties of the world economy.

It is not possible to forecast but early indications suggest that profits should show an *increase* over last year's £519,380.

In housewares, the merger of *Judge and Coral plastic products* and resultant marketing changes, have led to Judge International Housewares' order intake being 56 per cent. ahead in the first 18 weeks.

In Canada the problems may well be solved and better results are looked for.

Meantime all possible steps are being taken to conserve cash resources. Capital expenditure is being restricted wherever possible, ways of improving efficiency *and cutting manufacturing* costs are being pursued and a large stock reduction programme has been initiated.

As reported on November 20 profit for the year ended *June* 28, 1975, compared with £0.91m. previously, and the dividend is again 1.846p net. On a CPP basis, profit was £1.12m. (£1.32m.).

Meeting, Brierley Hill, December 18 at 11.45 a.m.

Turnbull Scott

Profit, before tax, of the Turnbull Scott Shipping Company for the half year to January 31, 1976, was approximately £490,000, about the same as last year, although the proportion produced by ships trading was less and by net interest received was more.

Low rates, which may *persist* for *a long time, coupled with increasing costs*, do not encourage any great optimism for the immediate future, but interest on the present substantial cash resources will supplement *dwindling* trading profits, and aggregate profit for the whole year from these two sources should not be greatly different from last year, the directors state.

Rates of freight in the chemical tanker market have declined even more than dry cargo rates and one of the ships owned by Whitehall Shipping is laid up. This, combined with costly repairs, resulted in a loss for the half year *in hte associate*.

But, Streatham Engineering Company is having "a most successful year."

An unchanged interim dividend of 4p net per £1 share is declared.

Last year's total was 8.414p—profit for that year was £1,018,624 before tax, and there was also a surplus arising from disposal of ships of £2,738,038.

General Engineering on target

IN LINE with forecast, first half (to September 30, 1975) pre-tax profit of General Engineering Company (Radcliffe) expanded from £95,000 to £349,000, on a more than doubled turnover of *£4.43m.*

The directors say they see no reason to alter the view that if general trading conditions remain much as at present, profits for the second half should be at least similar.

The results reflect the progressive policies initiated during the *past few years* which, subject to general economic conditions, should ensure continuity of the improved rate of earnings, they add. Profit for the year to March 31, 1975 was *£330,000*.

Orders and inquiries in hand indicate a turnover of some £10m. for the current year, compared with £8.87m. for 1974-75.

The interim dividend is raised from 0.2p to 0.4p net per 10p share, but the increase should not be construed as any *indication of the total for the year* (1.2p net last year), the direcors tell members.

	Half year 1975 £000	1974 £000	Year 1974-75 £000
Sales	4,431	2,187	8,870
Profit	554	326	691
Depreciation	69	71	110
Interest charges	136	160	251
Profit before tax	349	95	330
Taxation	125	—	156
Net profit	224	95	174
Dividend	28	14	54

Property & Reversionary

Profit before tax of Property and Reversionary Investment Corporation shows an £87,749 improvement at £408,125 for the six months to September 30, 1975.

Results are in line with chairman Mr. A. Rubens' forecast in his annual *statement*, and he now says that profit for the full year is expected to be correspondingly higher.

The interim dividend is held at 2p net per 25p share. Last year's total was 3.881p from profits of £641,732.

Mr. Rubens points out that for the half year there has been no transfer of outgoings from capital reserve in respect of properties held for development.

	Half-year 1975 £	1974 £
Gross rental income	597,231	464,231
Net rental income	469,521	375,209
Interest and dividends	100,821	95,674
Administration etc.	56,847	62,527
Interest payable	75,682	90,690
Profit before tax	408,125	320,376
Taxation	182,903	146,538
Net profit	224,372	173,838
Minority	776	812
From capital reserve*	—	9,000
Available	223,596	182,026

* Equal to net outgoings attributable to development properties.

"Investing in Success'

The directors of "Investing in Success" Equities announce that the resolution to alter the *Memorandum to enable the company to* buy commodities has been approved.

The directors have given an undertaking to the trustees of the debenture stock to restrict total investment in commodities to 15 per cent. of the company's funds at the time of purchase.

However, as a matter of policy, investment in commodities will be restricted to 10 per cent. of funds.

National and Commercial down 10% at £37m.

PROFITS, BEFORE tax and *extraordinary* items, of the National and Commercial Banking Group dropped by 10 per cent. to *£37.23m.* for the year to September *30, 1975, compared* with the previous year.

Operating profit of the company and its subsidiaries, before a further *provision* of £10m. (same) against advances, was 1 per cent. lower at £42.26m.

It has been considered prudent to make the *further provisions*—£3m. in the Royal Bank of Scotland and £7m. in Williams and Glyn's Bank—in addition to the *normal* charge for bad and doubtful debts.

In their general consideration of provisions, the two banks took into account estimated losses arising from their *respective* shares in the Support Group for secondary banks, notably in respect of First National Finance *Corporation, it is pointed out*.

The group's share of associates pre-tax profit fell by £3.7m. to £4.97m., the reduction being *almost entirely* attributed to Finance for Industry to the extent of over £2m., and to a fall of nearly £1.7m. from Associated Securities in Australia where the *prevailing economic climate made* trading conditions difficult.

Stated earnings per 25p Ordinary share for the year were *7.8p against 8.9p*. The maximum permitted final dividend of 1.093p lifts the net total from 2.0082p to 2.143p, covered 3.8 times.

Commenting on the results, the directors say that three factors influenced both banks in the group in the shape of steeply rising costs, lower base rates, but *with widening margins* towards the end of the year, and the necessity for additional provisions.

Despite the recession and slower growth of the *money* supply, the average sterling resources and lending in the Royal Bank, *however*, rose by a *considerably greater extent, compared* with the previous year, than was the case in the London Clearing Banks including Williams and Glyn's.

	1974-75 £000	1973-74 £000
Operating profit: company and subsids.	42,258	41,677
Additional provisions	10,000	10,000
Balance	32,258	31,677
Share associates	4,975	8,659
Group profit	37,233	41,336
Tax: co. and subsids.	16,550	17,208
Associates tax	2,360	4,120
Net profit	17,323	20,018
Pref. dividends	54	54
Earned for Ordinary	17,469	19,956
Extra-ord credits, less tax	743	*1,505
Ordinary dividends	4,317	4,314
Retained	13,395	13,937

* Debits.

Extraordinary items comprise: net surplus on premises and trade investments £1,175,000 (£2,439,000 loss), profit on redemption of loan capital £265,000 (nil), other debits £127,000 (£37,000) and share of associates debits £570,000 (£971,000 credits).

	1974-75 £000	1973-74 £000
Ryl Bank Scotland Grp:—		
Operating profit bank and subs.	24,501	22,676
Additional provision	3,000	—
Balance	21,501	22,676
Share associates	4,451	7,542
Profit	25,952	30,218
Taxation	13,778	15,659
Net profit	12,174	14,559
Extraord. debits, less tax	438	*391
Ord. dividends	3,412	2,559
Retained	8,324	12,800
Williams Glyn's Bk. Gp:—		
Operating profit bank and subs.	18,087	20,641
Additional provision	7,000	10,000
Balance	11,087	10,641
Share associates	524	1,117
Profit	11,611	11,758
Taxation	6,030	5,992
Net profit	5,581	5,766
Extraord. credits, les tax	1,180	†2,096
Ord. dividends	1,620	2,160
Retained	5,141	1,510

* Credit. † Debits.

During the year costs overall rose by about 40 per cent.—salary increases were a major factor and brought with them a further heavy rise in pension costs.

Problems of funding retirement benefits under prevailing rates of *inflation in both banks* were reviewed and resulted, on actuarial advice, in an additional charge, to be spread over ten *years, being* made before arriving at the operating profit.

See Lex

£0.68m. by Wade Potteries

MANUFACTURERS OF ceramic products, Wade Potteries, reports pre-tax profit down from £702,830 to *£681,326 for* the year to July 31, 1975, after £302,616, against £271,620, for the first half.

Earnings per 10p share for the year are stated at 4.38544p against 4.42523p. The dividend is raised from 0.98491p to 1.06399p net with a final of 0.63049p.

While the value of external sales reached a record *£5.45m.* (£4.29m.), and the volume was generally satisfactory, there were some areas where lower demand *meant* less than optimum working for part of the year, says the chairman, Mr. A. J. Wade.

However, the adverse effect on overall earnings was minimised *by the policy of diversification* which has strengthened ability to trade successfully in unfavourable conditions, and provided greater flexibility and enterprise in meeting constantly changing demands, the chairman adds.

More Company News
Page 28

Capital expenditure was £323,300 in the year and further resources will be committed where necessary. The strong liquid position *has financed developments of the* past year from existing funds *and* "we are well placed to take full advantage of an improvement in the national economic climate," says Mr. Wade.

The period ahead will be challenging, but given reasonable conditions, the directors are "*confident of our ability to resume* the growth pattern of recent years."

	1974-75 £	1973-74 £
External sales	5,454,903	4,292,935
Profit before tax	681,326	702,830
Taxation	338,569	368,876
Net profit	342,757	333,993
Preference div.	2,100	2,100
Ord. dividends	*78,661	75,565
Scrip issue	—	250,000
Expenses of issue	—	1,404
Forward	1,010 098	748,012

* After £4,894 waived by chairman.

Sekers to hold £176,000

Trading profits of Sekers International, formerly West Cumberland Silk Mills for the six months ended September 30, 1975 totalled £77,200 against £110,790 on a turnover of £2,044,000 compared with £1,582,000.

Providing present trends are maintained the directors anticipate results for the year ending March 31, 1976 to be in line with last *year's* £176,227.

The interim dividend per 10p share is held at 0.5p net. Last year's total was 1.5p.

For the half year there is an extraordinary credit of £250,000 before tax being benefit under an insurance policy.

Results reflect a below average contribution from traditional sections of the business although new areas have performed better than expected, say the directors.

HAWKINS' SALE

Hawkins Developments has *announced* that, as a result of the decision to withdraw from competitive building contracting, negotiations have now been *concluded for the sale of the freehold* plant yard at Westfield Road, Gosport, by the subsidiary Hawkins Construction (Southern). Purchasers are Westerly Marine which has an existing lease on part of the premises being sold and the consideration is £77,000. Proceeds will be used to reduce bank *borrowings*.

Silkolene up £60,000 at midway

FIRST HALF 1975 turnover of Silkolene Lubricants increased from £2.08m. to £3.01m., and pre-tax profit advanced from £306,5.. to £367,206.

It is hoped that the same level of profit will be maintained for remainder of the year, the directors state. Profit for the year 1974 was *£710,000*.

The interim is raised from 0.478p to 0.51p net—the maximum permitted—per 10p share. Last *year's total* was 1.638p.

David Charles

The annual meeting of David Charles was told that the private housing market continued to be very firm, and the Company was *maintaining forward orders* other trading activities.

Borrowings were being reduced in accordance with the planned programme.

This announcement is published solely for information.

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This announcement appears as a matter of record only

6th November 1975

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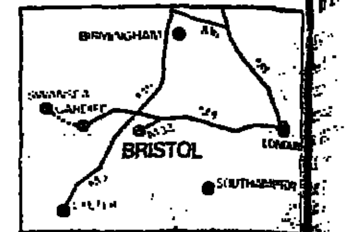

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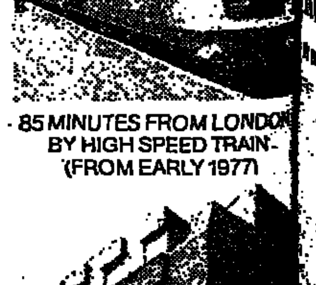

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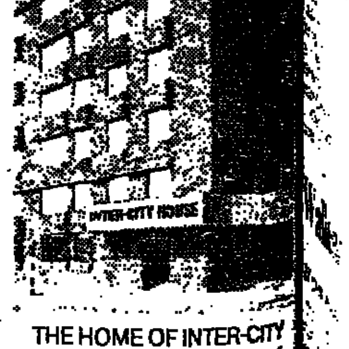

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Capacity utilisation now improving at Bayer

BY NICHOLAS COLCHESTER

BONN, Nov. 27.

The world slump in the ...emical market has had a ...matic impact on the profit ...rgins of Bayer, the big German chemical group. While its ...rld turnover in the first three ...arters was down by 10 per ...t. to DM13.037bn., its world ...-tax profit fell by 71 per cent. ...DM357m. The management ... therefore announced that ...parent company will be ...ced to drop its dividend for ...5 from 17 per cent. to, pro...ly, 15 per cent.

The parent company, Bayer ..., suffered in sales terms more ...n the world group did. Its ...rall sales in the first nine ...nths dropped by 20 per cent. ...DM5 89bn. Home sales for ... period were down by 14.2 per ...t. to DM2.44bn., while exports ... by 24 per cent. As a result ... export ratio for Bayer AG ...pped to 58.6 per cent. from ... per cent a year earlier. ...-tax profit for the three quar... was down by 60 per cent. ...DM303m.

Announcing these figures at a ...ss conference in Leverkusen ...terday, the Bayer chairman, ... Gruenewald, said that the ...ct of the economic recession ... Bayer's orders had lasted ...ger than the management had ...ected, perhaps because Bayer underestimated the quantity of goods "in the pipeline" between Bayer and its industrial customers. In September, October and November the order situation had improved, Gruenewald. Usage of capacity, which had in some areas been down as low as 50 per cent. during the first nine months, was now improving and the chairman mentioned a generalised figure of between 75 per cent. and 80 per cent.

Bayer expects to end 1975 with a turnover for the parent company 15 per cent. below the DM9.441bn. recorded in 1974. World sales should be down by 10 per cent. from DM18.879bn. The hardest hit sectors will have been plastics, organic industrial inputs, dyestuffs and synthetic fibres, while insecticides and pharmaceutical products have sold relatively well. With the improvement in the business climate all these sectors are recording better sales with the exception of insecticides which do not move well at this time of year. Thus Bayer will deliver roughly the same volume of products this year as it did in 1972, while its turnover will be similar to that in 1973.

Bayer intends to continue, for the moment, its policy of hiring new people only when it is sure that the available jobs cannot be filled from within the company. At the end of October Bayer AG's workforce was down by 1.5 per cent. to 64,900 from its level at the beginning of the year. It is reckoned that over the year as a whole the drop will be 2 per cent.

The company's investment plans have been stretched out because of the recession. Where Bayer AG was originally to have invested DM850m. this year. It has in fact spent DM750m. Next year's figure will be approximately equal to the depreciation figure of DM650m. The world group's investment in 1975 will have totalled DM1.8bn., and should drop next year to DM1.5bn. The management is still toying with the idea of a capital increase for Bayer AG, but does not see an urgent necessity for one and is prepared to wait until the stock market offers favourable conditions.

Dr. Gruenewald conceded that Bayer must adapt itself to a changed prospect for growth in the chemical industry in the future. Where 7 per cent. per year had been the norm before, to-day's expectations had to be pitched at between 2 and 3 per cent. To improve on this figure would require the development of new chemicals and of new uses for them.

Sales downturn at Degussa

BY ADRIAN DICKS

BONN, Nov. 27.

...GUSSA, THE Frankfurt...ed metals and chemicals ...up, announced to-day that ...nover in the second half of ... 1974-75 business year fell by ... per cent. from its level a ...r previously.

...n a letter to shareholders, the ...pany's management board ...orted provisional sales in the ... second half of the year of ...1.8bn., compared with ...2.1bn. in the second half of ...3-74.

The Degussa management ...ibuted this downturn to the ...rall weakness of domestic ... export demand, although ...e of the group's activities, ...uding pharmaceutical and ...tal products and industrial ...laces, managed to withstand ... general trend. The principal ...als business of the group ...luced a turnover 11.3 per ...t. lower during the second ... than it had done a year ...viously. For the year as a ...le this side of the group's ...iness declined by 5 per cent. ...although the letter made no ...profit forecasts, it ...shareholders for a ...stantial decline, relative to ...year's performance. Higher ...es for some product lines ...e largely offset by un...nomically low levels of capacity utilisation according to the management statement.

The company also confirmed closure of its Wolfgang artifical leather plant, with the elimination of 350 jobs. In all, some 730 jobs were eliminated last year. Nontheless, wage costs for the group rose by 6 per cent., and the management warned that until this and other upward pressures on costs are eased, little improvement in profits can be expected.

Austria $300m. Euroloan

BY PAUL LENDVAI

VIENNA, Nov. 27.

THE AUSTRIAN FEDERAL STATE is raising a $300m. seven-year loan on the Euromarket. Lead managers of the consortium of 60 Austrian and international banks are the Kreditanstalt Bankverein, Girozentrale, Oesterreichische Laenderbank and Genossenschaftliche Zentralbank. The loan offers a spread of 1¼ per cent. Final agreements were signed to-day in the Kreditanstalt head office in Vienna.

The next issue in the D-Mark sector of the international bond market will be DM150m. for the World Bank. The coupon is expected to be 8 per cent. and the maturity seven years. Lead manager is Deutsche Bank.

The Sanko Steamship DM80m. issue is expected to offer an 8½ per cent. coupon on its five year maturity. Issue price is likely to be 99½ per cent., lead manager Berliner Handelsgesellschaft Frankfurter Bank has said.

In the dollar sector, the amount of the Gränges issue has been raised from $20m to $30m., while the terms of Asabi Chemical's convertible have been adjusted in favour of the borrower. Coupon has been cut from 6½ to 6¼ per cent. while the issue price has been set at par. Conversion premium will be 7.8 per cent.

The Province of Newfoundland is to raise $Can.25m. for ten years on the Eurobond market. The issue offers an indicated coupon of 10¾ per cent. Lead manager is Crédit Commercial de France.

A purchase fund will operate if the price of the issue goes below par.

Fiat's psychological success

BY ANTHONY ROBINSON

ROME, Nov. 27.

A PACKED workers meeting to-day inside the Milan plant ...Innocenti Leyland, occupied ...mediately after the company's ...ision to go into liquidation, ...le union leaders denounced ...land's move as "typically ...onialist and humiliating for ...y" but the unions were also ...ly critical of the role played ...r the last four months by ... two Government Ministers ...arged with trying to find an ...rnative solution which would ...rantee employment at the ...ant.

Against this background, Fiat ... scored a major psychological ...cess with its declared willing...s to examine, together with Alfa Romeo, the original union alternative plan for the conversion of Leyland Innocenti for the production of small vans and mini buses. This is an alternative which, the unions claim, was never taken up seriously by the two Ministers, a claim substantially confirmed by Fiat itself.

To-night, however, the Government's economic establishment was fully mobilised to examine the new situation created by Fiat's declared willingness to examine, without any prior guarantees however, the possible conversion of Leyland Innocenti.

The unions have made it known that they consider the Government's response to this offer to be the touchstone of its credibility with respect to the Government's declared policy of basing its anti-recessionary policy on a massive effort to re-convert the Italian economy.

With the governments credibility at stake the solution of the Leyland Innocenti situation has gone beyond the competence of the industry and labour Ministers who have been encharged with the problem up to now and has been "extended to include the Ministry of Budget and Planning and the Minister for State Shareholdings. The latter is ultimately responsible for Alfa Romeo, the IRI controlled motor group which, together with Fiat, will now examine the possibility of re-converting Leyland Innocenti in a way which guarantees not only full employment but also the profitable employment of this skilled labour force which stubbornly refuses to be broken up and dispersed.

Reksten begins repayments to Aker

BY FAY GJESTER

OSLO, Nov. 27.

...RWEGIAN SHIPOWNER ...nar Reksten has now begun ...aying his debt to the Aker ...building group under the ...ns of the agreement he ...ched with the group, and his ...er creditors, last September, ...was announced here to-day.

The announcement followed ...eral days of Press speculation ...ut the severe liquidity prob...s Aker would face if Reksten ...uld refuse to keep the terms ...the deal. Last week, he failed ...make his first repayment, ...er the arrangement, on the ... it fell due. Instead, he ...te to the Government and the ...ance Committee of the Stort... (Parliament) making a ...mber of critical allegations about Aker's management and prospects.

Both the Government and the Finance Committee refused to be involved in the dispute, but the Minister of Trade, Mr. Einar Magnussen, said, Reksten should comply with the settlement, and that he was in a position to do so.

The shipowner has recently been realising various assets—last summer he sold a large block of shipping and industrial shares to the Government for Kr.177m., and recently he sold two dry cargo ships to a Dutch company for a total of Kr.95m.

Reksten's total debt to Aker, amounting to some Kr.327m., comprises both compensation for cancelled tanker orders, final payment on a recently completed supertanker (which Reksten ordered and has agreed to take over), and advance payments on two 16,000-ton deadweight dry cargo ships which Reksten ordered from Aker as part of the September "package" agreement. It is understood that he has now paid Aker Kr.57.5m. of the total.

Wallenberg merger

BY JOHN WALKER

STOCKHOLM, Nov. 27.

THE third major company ...ger within the past two ...ks involving concerns within ... framework of the Wallen...g banking family, ASEA, the ...vy electrical engineering ...up has sold a subsidiary com...y—Surahammars Bruk—in a ...t deal to the Kopparfors pulp ... paper company and to ...nas, Kraft liner makers.

The deal is reported to ...ount to Kr.170m. (£19m.) and ...pparfors will acquire 578,000 ...es of forest and 40,000 acres ...agricultural land, as well as ...aw mill and a box manufac...ng company, Voxnas AB, in ...ch ASEA holds 65 per cent. ...he shares (with the balance ...5 per cent. owned by Skan...aviska Enskilda Bank) will buy Surahammars power station and water rights.

The change in the capital gains tax which comes into force next year is one of the main reasons for the recent upsurge in mergers. ASEA however says that the money from the deal will be used in the current investment programme.

Earlier this week, the papyrus pulp and paper company made a Kr.300m. (£33m.) bid for the Kopparfors pulp and paper company, which would create a concern with about 30 per cent. of the Scandinavian production of carton packaging paper and a capacity of 400,000 tons of pulp. In addition the latest deal will create further timber reserves for the merged companies.

Maritime Fruit sees revenue reduction

By Stewart Fleming

A SHARP fall in both revenue and profit for the first nine months, ended September 30 of the current year, is reported by Maritime Fruit Carriers, the U.S. shipping and ship trading business which has a joint venture with U.K. shipbuilders Swan Hunter.

Over the period, the revenue of Maritime Fruit has fallen from $127m. to $68m. and net income from $27m., to $1.6m.

In a statement issued with the figures, the company says that accounting changes relating to the treatment of currency translation differences and start-up costs of development enterprises have resulted in a net gain of income of $16.2m. in the first nine months of the year.

The company adds that MFC's operations incurred losses during the first nine months primarily as a result of the depressed state of tanker operations and the sale of one tanker at a book loss of some $5.5m.

In 1974, the figures for the first nine months included approximately $27m. of gains from the sale of shipbuilding contracts.

MFC points out that: "The contrast between 1975 and 1974 figures is magnified by the fact that in 1974 the company had substantial income from ship-trading."

Creusot buys control of Phoenix

By Rupert Cornwell

PARIS, Nov. 27.

THE FAST-GROWING special steel and nuclear concern Creusot-Loire is set to take control of Phoenix Steel of the U.S., an expanding company with an annual output of around 600,000 tonnes, mainly in the form of heavy plate and tubing.

A spokesman for the company confirmed that negotiations are complete but warned that the deal is subject to shareholder approval. Present plans call for Phoenix to make a $12m. capital increase which would then be taken up by Creusot-Loire. However no other financial details were immediately available here.

Should all go well, Phoenix will be the second American steel company to enter the orbit of Creusot-Loire, after Alan Wood in 1974. The French group has also bought into Spain and Brazil in recent months, as well as into India.

Meanwhile, final agreement was signed yesterday setting up ISSCO (Iran Special Steels Company) in which a French consortium led by Creusot-Loire will have a holding of 30 per cent. The venture will handle the construction of a steel plant at Ahwaz with an annual output of 220,000 tonnes.

Slavenburg's move into Germany

By Michael Van Os

AMSTERDAM, Nov. 27.

AFTER ITS Belgian acquisition last year, the Dutch Slavenburg's bank to-day announced a move on the German market.

It said in Rotterdam that it had taken over all the shares earlier this month of the Deutsch-Schweizerische Bank (DSB) in Frankfurt in a transaction valued at Fls.15m. Slavenburg has acquired the shares from Bankhaus Nicolai in Hanover.

DSB, which was set up in 1933, is active in the field of credit advances and deposits as well as in security business. The house has a placed share capital of DM2m. and reserves of DM1.3m. The balance sheet total amounted to about DM54m. on January 1, 1975, and the Bank has been operating at a profit this year, it was added.

Slavenburg's, in which the First National Bank of Chicago has a 20 per cent. stake, said in a statement from the Rotterdam head office that it aimed to expand the activities of DSB and that the intention was to raise the Bank's capital substantially.

SELECTED EURODOLLAR BOND PRICES
MID-DAY INDICATIONS

STRAIGHTS	Bid	Offer
Aquitaine 10pc 1985	101½	102½
Ashland 8pc 1987	90	91
Ausfraswiss 8pc 1987	90½	91½
Borregaard 8½pc 1989	95	96
Broken Hill 10pc 1990	101	102
Carrier 8pc 1987	88	90
Conoco 8pc 1986	96	97
Consol. Foods 7½pc 1991	87	88
Cutler-Hammer 8pc 1987	91	92
EIB 9¾pc 1985	101	102
ERAP 9½pc 1985	100½	101½
Esso 8pc 1986 Nov.	98½	99½
General Cable 8½pc 1987	89	90
General Motors 8½pc 1986	101½	102½
Granges 9½pc 1985	98	99
GTE 8½pc 1986	95	96
New Zealand 9½pc 1982	101½	102½
Pacific Light 8pc 1988	89	90
Prov. of Quebec 7½pc 1988	88½	89½
Quebec Hydro 8½pc 1989	98½	99½
Queensland 8½pc 1987	88	89
Scanraff 8½pc 1988	97	98
Shell 8pc 1988	95½	96½
Stand. Oil (Ind) 8½pc 1988	99	100
Tenneco 7½pc 1987	86	87
Transocean 8pc 1988	97	98
Utah 8pc 1987	91	92
Volvo 9½pc 1985	100	101
NOTES		
Air France 9½pc 1982	102	103
Ardal 9½pc 1980	101	102
Australia Ind. 10½pc 1981	104	105
Barclays 9½pc 1982	100½	101½
Cie Natl. Rhone 10pc 1982	103	104
Du Pont 7½pc 1978	101½	102½
Esso 7½pc 1978	100	101
General Motors 8½pc 1976	100	101
Montreal 9½pc 1981	100	101
Nippon Steel 9½pc 1980	99½	100½
Norway 9pc 1980	103	105
Skandinaviska E. 10½pc '81	104	105

Source: White Weld Securities.

CONVERTIBLES	Bid	Offer
American Express 4¾pc '87	82	84
Ashland 5pc 1988	80	82
Beatrice Foods 4½pc 1992	97	99
Beatrice Foods 4⅞pc 1992	105	107
Borden 5pc 1992	95	97
Broadway Hale 4½pc 1987	78	80
Canon Camera 7½pc 1989	87	89
Carnation 4pc 1987	85	87
Chevron 5pc 1988	99	101
Dart 4¾pc 1987	83	85
Eastman Kodak 4½pc 1988	121	123
Economic Labs. 4½pc 1987	81	83
Eidal 7½pc 1989	68	70
Fed Dept. Stores 4½pc '85	130	132
Firestone 5pc 1988	87	89
Ford 6pc 1986	86	88
Ford 5pc 1988	78	80
General Electric 4¼pc 1987	84	86
Gillette 4¾pc 1987	77½	79½
Gould 5pc 1987	87	89
Gulf and Western 5pc 1988	86	88
Harris 5pc 1992	70	73
Honeywell 6pc 1986	78½	80½
ITT 4½pc 1987	68	70
Komatsu 7½pc 1990	102	104
J. Ray McDermott 4¾pc '87	112½	114½
Mitsui 7½pc 1990	102	104
J. P. Morgan 4½pc 1987	102	104
Nabisco 5½pc 1988	83	85
Owens Illinois 4½pc 1987	89	91
J. C. Penney 4½pc 1987	79	81
Pioneer 6½pc 1988	165	170
Rank 4½pc 1993	43	45
Revlon 4½pc 1987	99	101
Sperry Rand 4½pc 1987	96	98
Squibb 4¼pc 1987	87	89
Texaco 4½pc 1988	77	79
Toshiba 6½pc 1990	101	103
Union Carbide 4½pc 1982	102	104
Warner Lambert 4½pc 1987	94½	96½
Warner Lambert 4½pc 1988	82	84
Xerox 5pc 1988	72	74

Source: Kidder Peabody Securities.

NORDIC INVESTMENT BANK

A new addition to the ranks

BY WILLIAM DULLFORCE, NORDIC CORRESPONDENT, STOCKHOLM, NOV. 27

THE FIVE Nordic countries will set up their own investment bank by July next year, if the timetable for ratification by the national parliaments is kept. The Nordic Investment Bank will have a capital stock of 400m. Special Drawing Rights (SDR's), a lending capacity of 1bn. SDR's and is to be run on sound banking principles. In other words it is supposed to make a profit, build up reserve funds and pay a dividend on the paid-up capital.

The bank's purpose, according to the proposal approved by the Nordic Council on November 15, is "to grant loans and guarantees on banking terms and on socio-economic considerations with a view to carrying out investment plans and exports in the interests of the Nordic countries."

Its proponents say that it will attract foreign (read OPEC) finance into big, capital-intensive projects, such as the laying of gas and oil pipelines or the building up of more efficient power, transport and communication systems, and that it will help to provide a credit base for the joint export of capital goods. In the latter case they are thinking of the big turnkey projects in the Eastern Bloc and the Middle East, in bidding for which individual Nordic countries are at present handicapped by their inability to offer credit.

The bank's opponents, who are in a minority, say that it will perform no function that existing financial institutions cannot carry out just as well and that it will add one more to the growing ranks of unnecessary Nordic institutions. Among the opponents are the Danish and Norwegian banking associations and an "unholy alliance" of the Communist parties, notably the Finnish, and the Conservative parties of Denmark and Norway.

Among the five countries, Finland and Iceland who stand to gain most, have been the most enthusiastic, while Denmark and Norway have been the coolest. Denmark's heel-dragging is seen by some proponents as reflecting antipathy in EEC quarters, where the new Nordic Bank is believed to be regarded as a rival to the European Investment Bank.

Swedish motive

Sweden, which contributed the largest share of the capital stock, has pushed the proposal energetically in contrast to its attitude to earlier proposals for a joint bank. The difference, perhaps, is that over the past 18 months Sweden has for the first time become a heavy borrower abroad. And, while the Bank may initially seek to raise loans abroad, there is little doubt in anyone's mind that it will eventually be looking for some of Norway's surplus oil income.

The critics have particularly attacked the way in which the Bank proposal has been rushed through. Two earlier attempts—one in the late '50s, when a Nordic customs union was being discussed, the other in the late '60s, when the plan for a Nordic economic union was launched—foundered after lengthy negotiations. On this occasion the proposal was revived at a Nordic Prime Ministers' meeting in Oslo last January (attended in fact by only the Icelandic, Norwegian and Swedish Premiers) and finally given majority approval at an extraordinary meeting of the Nordic council this month. The political muscle of the Scandinavian social-democrat parties has ensured the establishment of the Bank.

Its critics may have a valid point, when they complain that haste has prevented a proper, economic study of the Bank's function and viability from being carried out. There could, for instance, be a contradiction between the stipulation that it should run at a profit and the hope that it will provide competitive (that is, low interest) credit for Nordic exports. The same argument applies to suggestions that the Bank could help finance Nordic involvement in development projects in the developing countries.

Some limitations have been placed on the Bank's operation. Thus, it does not have automatic access to the Scandinavian bond markets, and must obtain the permission of the country concerned before raising loans in it. In export financing the contracts it backs must involve deliveries to specific projects from at least two Nordic countries. Domestic projects, which serve the interests of only one member country, are outside its scope, unless, like a power plant, for instance, it can be of some benefit to other members.

Foreign debt

The most convincing argument in favour of the Nordic investment bank may be that all the Nordic countries have been running heavy payments deficits on current account recently. Even Sweden, which was formerly a capital exporter, has been swiftly running up its foreign debt and getting that much nearer its credit ceiling. At the same time all the Nordic countries have ambitious investment projects planned.

The Bank's substantial capital stock should put it into a strong position for raising loans on the international capital markets, possibly on more favourable terms than those which could be obtained by individual countries or companies. This would be particularly true for Finland and Iceland, which have sometimes had problems in getting enough money on reasonable terms.

There should be no lack of joint projects for the Bank to finance. There is wide scope within the energy field alone. The project for a tunnel and bridge connection between Sweden and Denmark could be revived, if fresh finance were found. Iceland badly needs money for industries to exploit its hydro-electric and geothermal resources with the participation of Scandinavian companies. The Bank could play a role in the integration of Nordic industry, which is already under way, but could certainly be carried further, if more long-term finance were available.

Of the bank's 400m. SDR capital stock, Sweden will contribute 180m., Denmark 88m., Norway and Finland 64m. each and Iceland 4m. One-fourth of the stock is to be made available in three equal instalments over the first two years with the remainder on call at the Board's discretion.

Authority is vested in a 10-member Board, two from each country. Eight members are needed to make up a quorum and seven must support a decision for it to be valid, so that the opposition of both representatives of any two countries will suffice to veto any decision. The Board will appoint a managing director for a period of up to five years.

A controlling committee with one representative from each country is to be appointed and will report to the Nordic council of ministers. The bank's locatoin has not yet been decided. Finland, which houses few Nordic institutions, would dearly like to have the Bank in Helsinki, but Stockholm is a strong contender.

Nampak deal raises some knotty issues

BY RICHARD ROLFE

JOHANNESBURG, Nov. 27.

REED International's R44m. partial bid for Nampak has attracted a deluge of criticism in Johannesburg on all the parties concerned. But the deal still seems likely to go through unless there is a last-minute change of heart and a challenge in the courts by disaffected minority shareholders. The terms provide for preferential prices to different shareholders and clearly infringe Johannesburg Stock Exchange requirements on takeovers, save for a provision on "special circumstances," but as far as can be determined the terms do not fall foul of the new and largely untested companies Act.

The terms announced provide for Reed to buy out St. Regis' entire shareholding in Nampak of Nampak's shares, at $4.25 per share. This is worth 380c at the present rand/dollar partity. They provide for all other shareholders to tender 30 per cent. of their holdings to Reed at 340c (against Nampak's current 300c in the market) the difference between this price and the St. Regis terms being accounted for by the Rand devaluation during the talks.

But the contentious part of the deal is that a private company controlled by Mr. Oscar Fruman, Nampak's chairman, which holds 15.5 per cent. of Nampak, having agreed to tender 30 per cent. of its holding, or 4.6 per cent. of Nampak has done a separate deal with Reed by which it has the right to sell the balance of its shares to Reed between November 1, 1977 and October 31, 1979 at 545c. per share. Mr. Fruman has agreed to vote as directed by Reed over the period and to cancel his voting trust with St. Regis; in the past St. Regis has voted in line with the Fruman shareholding. The old arrangement also gave Mr. Fruman control of the Nampak Board, thus enabling him to control the R70m. group on the strength of a 15.5 per cent. interest.

The JSE has been widely criticised for failing to observe its requirement that the offer to all shareholders should have been "comparable." It has apparently taken the view that the whole package was the best that could have been done in the circumstances. Mr. Fruman is over 70 and St. Regis wishes to sell, so there was a need to secure management succession and provide an international partner for R and D raw materials and technical know-how. St. Regis also had to be compensated in dollars, a condition which tended to rule out South African parties like Union Corporation or Barlows which might have been interested in Nampak.

However, a hardline application of its own requirements might have strengthened the JSE's hand in future cases of this nature instead of strengthening what is being seen as an effective precedent for controlling interests who wish to get out. It can also be argued that had the JSE refused to sanction the present deal, the parties concerned would inevitably have come to a more equitable arrangement.

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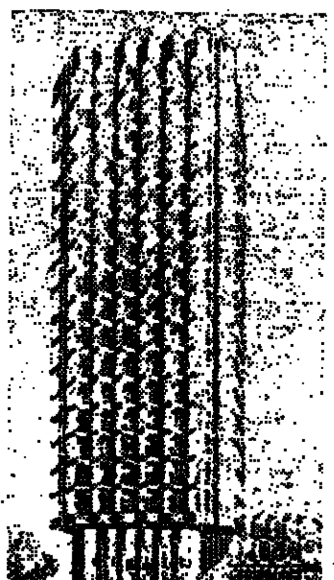
The Property Market

BY QUENTIN GUIRDHAM

The 1978 view of U.K. Provident



The absence of private developers with central London schemes due for completion around 1978 does not mean that new examples of the Seifert trademark will be lacking. This *building is the 96,500 sq. ft.* tower which makes up the second phase of United Kingdom Provident Institution's Windsor House development at 42/50 Victoria Street. The serrated faces will be finished in brown polished granite with bronze tinted windows.

United Kingdom Temperance and General Provident Institution, to give it its full title (it began life in 1840 under the even more forbidding Total Abstinence banner) is a mutual life company which is doing more than most in the direct development field. Amalgamated Investment and Property *manages this work under an* agreement which gives it 6 per cent. of gross rentals and a 1½ per cent. management charge.

First phase of the development includes 20 flats, to be sold at asking prices up to £25,000 and the 40,000 square feet of offices which Lloyds Bank has taken at a favourable rent as previous occupiers on the site. With the *tower block due for occupation* in May, 1978, the question of who takes the space is still a long way ahead, but the betting in Victoria Street must be either the Government or an oil company—new space takers include BP at one end of the street and National Iranian Oil at the *other.*

But the question of a possible single tenant here is not so demanding as the 162,000 square feet which United Kingdom Provident Institution will also have completed in 1978 in the former Waring and Gillow building in Oxford Street. That scheme also includes 75,000 square feet of shopping. Then *the same developers have 39,000* square feet of offices at 55-61, New Oxford Street, due in 1977.

So, even though there is no further news on Trafalgar Buildings, the site to the south of Trafalgar Square on which Westminster council turned down *planning applications. It is easy* to see why U.K. Provident's report says that "in the light of recent legislation, these schemes may well be among the few *major* developments which will be completed within the next few years. The interest which has already been displayed in Victoria Street by potential tenants is not only unusual at this stage of the operation but most encouraging."

Edward Erdman are the agents for Windsor House and meanwhile Pilcher, Hershman will soon start marketing something more modest from the U.K. Provident's development programme, around 10,000 sq. ft. in Apple Tree Yard, SW1.

Oilmen take Kelvin House

A sign that North Sea oilmen are not necessarily here to-day and gone next decade comes in the purchase of a freehold by *McDermott Hudson Engineering,* a division of Oceanic Contractors, one of the longer established American *specialists* in the design and construction of oil rig platforms.

McDermott Hudson started by talking rental terms for Kelvin House, Wembley Park Drive, Wembley. Smiths Industries Pension Trustees were offering *the building previously used* by Smiths Industries which has moved most of the people concerned to its Watford premises. Asking rent on the 37,000 square feet began at £240,000.

That, as it happens, makes a neat comparison with what turned out to be a different deal, the freehold sale for near enough £2.4m. In changing negotiations from talking rent to talking free*hold price, the U.S. rig contrac*tors (they fabricate in Scotland) must have taken a view on current market levels as well as their length of stay here. At the current high level of activity, however, Kelvin House is not large enough to take all their London staff.

Richard Saunders and Partners represented McDermott Hudson. Negotiations for SI Pension Trustees were conducted jointly *by the in-house department and* Leighton Goldhill and Partners.

Slater Walker's continued lettings

Slater Walker Properties is now down to disposing of the last 54,000 square foot of the total 543,000 square feet of offices, *factories and warehouses on the* Millington Road Industrial Estate at Hayes, formerly the Westland helicopter plant.

One factor that has helped, apparently, has been the unconventional form of advertising on LBC radio commercials, with breathy *invitations to hurry to* Gooch and Wagstaff while "less than a £1 a square foot" stocks *last. One factory unit letting* to Incoterm is directly attributed to this. Another factory unit has been taken by Orbit Valve (U.K.), like Incoterm a U.S. group subsidiary, and a third unit has gone to BTR Industries. Tibbett and Britten, the clothing distributors, *has taken 25,000* square feet of warehousing.

The remaining space is a factory divisible into 12,000, 18,000 and 24,000 square feet units. Orbit Valve were represented by Charles Mills, and Slater Walker Properties by Chamberlain & Willows, Norman Rourke & Partners and Gooch & Wagstaff.

This has been one of SWP's successes, the claim being for a *substantial profit on an opera*tion which involved buying for just under £4m. and selling on to an institution for something around £13m., though there were hefty development costs in between. The major lettings were to Mercedes-Benz and Hitachi, with two office *users being* Allied Suppliers and British Airports Authority. Meanwhile there is silence on other Slater Walker property activities, at *least until the accountants have* finished their reports on the whole group.

But some developments are continuing, such as Oyez House in Fetter Lane, *where the plan* remains for one 50,000 square feet of offices to be put on the market and for Slater Walker Securities to occupy another *around 50,000* square feet as its new headquarters. The move is scheduled for the second half of next year, when Deloitte, the accountants, move into the 76,500 square feet it is leasing from SWS at Petershill House.

At what turned out to be his final a.g.m. appearance, *Jim* Slater talked about the group's main task being "reducing our substantial property portfolio" of £65m., £40m. of it in the U.K. At the interim report stage there was a hint of £5m. of sales near completion. But little has ever *been said about SWS's direct* property interests, or the property lending for that matter. The indications are that there was much smallish Home Counties office and industrial space within the portfolio.

Clearly the Petershill House *interest and Oyez House could* represent a large chunk of present assets. But the only firm figures remain the ones in the April pro-forma balance sheet showing £60m. of fixed assets, of which possibly £55m. in property, mostly freehold, with £17m. of properties held for re-sale. Even these are not much help (witness several brokers' very different *estimates of the SWS property* content) given inter-company deals and over half the fixed assets included at cost.

Debenham's leaseback deals

The Debenham store group's property portfolios has long been *regarded as one of the best* among retailers. The fixed assets at cost and valuation are given as £163.5m. before depreciation. But how you value department *stores when it comes to sale-and-*leaseback deals with institutions is not very well charted territory.

Debenham raised £6m. on a sale-and-leaseback of its office building in Welbeck Street last year, and has now raised nearly £3.9m. with leaseback deals on its *Romford, Norwich, Bromley* and Harrow stores. The difference with these is that the prices for the freeholds are subject to rental agreements geared to 35 per cent. of the rack rental at five-year reviews (the leases are 125 years).

This is the sort of arrangement which, apart from leaving the seller with a continuing interest in a *building's equity, clearly* gets over institutional inhibitions about the future profitability of department store trading even with a covenant as strong as Debenham's.

But the problems of what to do with a department store if it *ever ceases to be a department* store still mean that institutions cannot look at them in the same *light as a prime 20 feet by 100* feet high street shop. On the other hand, these deals indicate a lower yield than supermarket buildings would command.

The early 1960s Romford store, with a floor area of 198,000 sq. feet, fetched £1,309,000 (subject to a £30,000 adjustment) on an initial rent *of £108,500 a year.* This, along with Norwich (94,000 sq. feet sold for £676,000 at initial rent of £56,000 a year), and Bromley (80,000 sq. feet sold for £463,000 at initial rent of £38,500) went to pension fund clients of Debenham Tewson and Chinnocks. The earlier *Harrow store,* with extensions from various periods, is 193,000 sq. feet and fetched £1,425,000 at an initial rent of £113,750. This was bought *by the* West Midlands County Council pension fund for whom Healey and Baker acts.

OUT AND ABOUT

● Final two shop units of the *Scunthorpe* central area shopping development's third phase have been let to multiple chemists Discount for Beauty. This is a Ravenseft joint venture with *the Scunthorpe* Borough Council for whom Healey and Baker were agents. They combined with Goddard and Smith in letting the 89 shop units of *the third* phase, the big retailer there being the Binns department store with 51,000 square feet.

● Edward Erdman is opening a *City office* at 23 College Hill, Cannon Street. Not everyone's choice of timing but the agent's view is that there is no way you can know the best time to open and they feel there is scope now for building up the letting side. Erdman is, of course, already *active in the City* and current projects include letting the bank building at 24/28 Moorgate (13,400 square feet at *£145,000* a year) and a buying order for a 30,000 square feet entire building freehold in the central City area.

Another agent *offering a new* service is Strutt and Parker, which has added a commercial department to its Edinburgh office in Walker Street. Their latest report claims a large *excess* of demand over supply for office space in the capital. Present planning policy is resulting in consents aimed at increasing accommodation in areas of low demand, which the agents reckon continues to be unattractive to prospective occupiers.

● Fairview Estates has sold a *reversionary* industrial investment at Paddock Road, Reading to Prudential Assurance. The price was £250,000 for the building let on a 99-year-lease with *the next seven-yearly review* in 1979. Current rent is £13,400, representing an initial yield of 5.36 per cent. Edward Gray acted for Fairview.

● *Glacier Foods* has sold a long lease on premises on the Great North Road, Borehamwood, to W. Harold Perry for use as a truck distribution depot. Redevelopment of the site, at present 43,000 square feet on 2½ acres will start soon. The price was around £400,000.

Gordon Hudson and Chamberlain and Willows acted for Glacier. The purchases were introduced by Edward Sadler.

● Controversy about the true state of the Brussels office *market continues, stirred* again by that bullish Jones, Lang Wootton report of 650,000 square *feet of lettings in the first* nine months: "conclusive evidence of a 'rock hard' market."

On the industrial side, Healey and Baker has arranged the sale *of 60,000 square feet of* warehouse premises in the Brussels suburb of Drogenbos to the *Unilever Pension Fund.* The premises will yield some 9.35 per cent., which the agents regard as marginally above the investment rate for a prime industrial holding, an indication of an improvement in the Belgian investment market. The premises *are mainly occupied by* Ed Wouters, paying B.Frs.1,000 per square metre for the warehousing and B.Frs.1,500 for offices.

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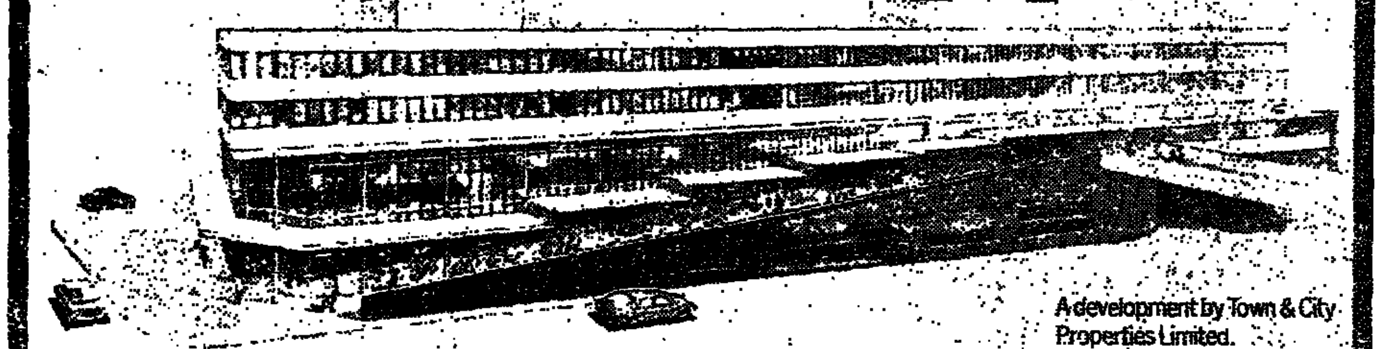

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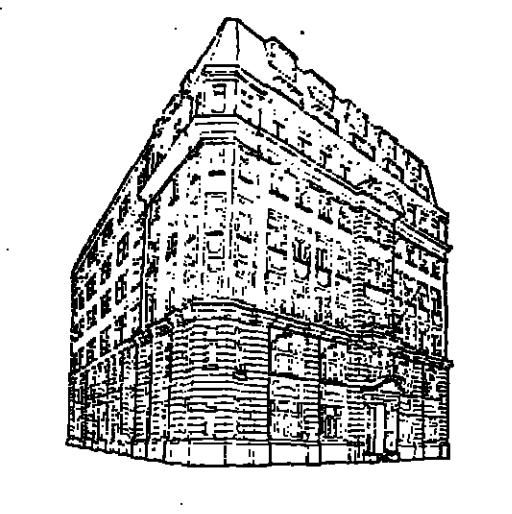

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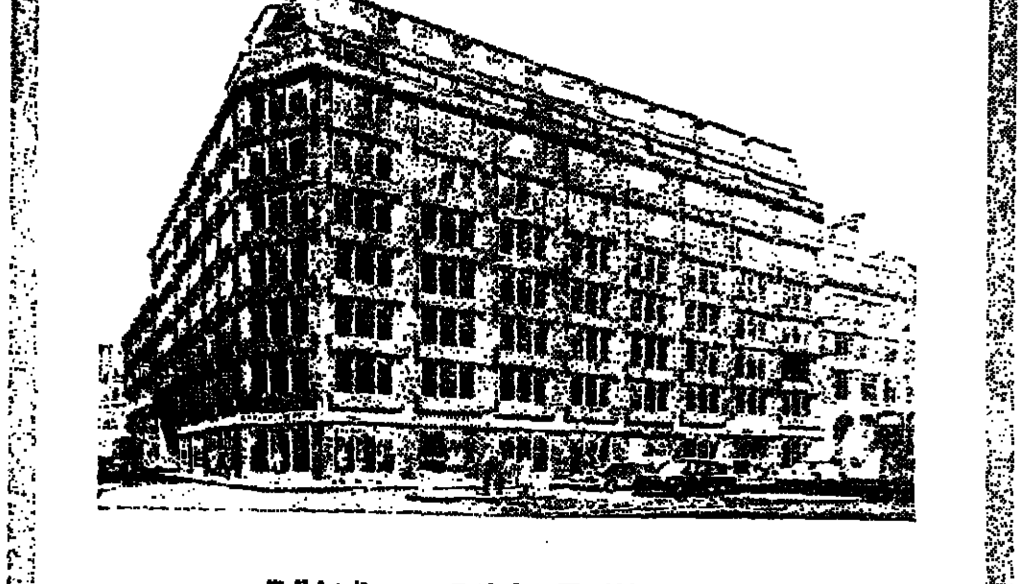

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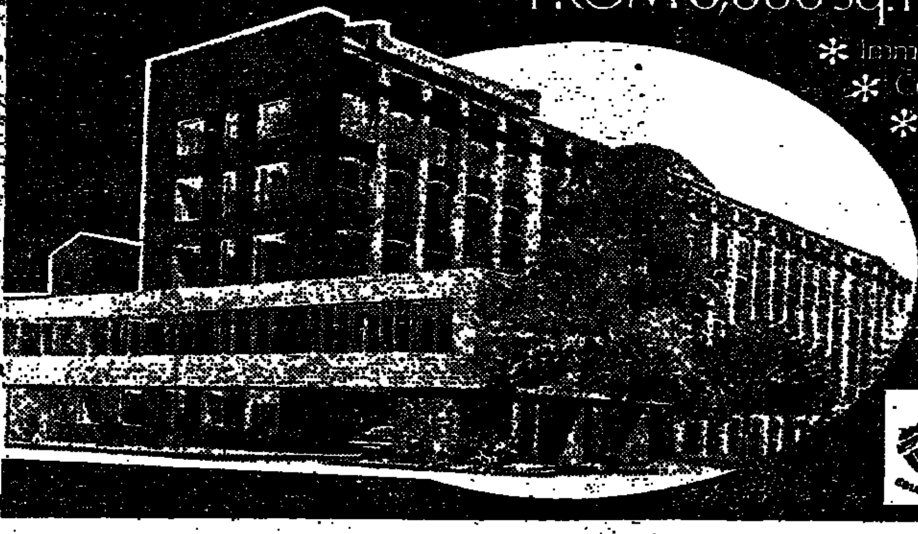

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Warehouse, Distribution and Factory Development (Phase 3)
By
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Extremely advantageous terms; discounted rents

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60,000 SQ. FT. FACTORY
To Let
66p PER SQ. FT.
Small Premium Required
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Fine sites available in new fully covered shopping centre with excellent customer car parking. OPEN NOW

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* Bank 20 mins
* Oxford Circus 15 mins

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Modernised Offices to Let
2,250 or 4,665 sq. ft.
FENCHURCH ST.
£6.00 per sq. ft.

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2,274 sq. ft.
Centrally Heated
New Lease Available

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Newly Redecorated Offices
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approx. 30,000 sq. ft.

* OPEN PLAN OFFICES
* DOUBLE GLAZING
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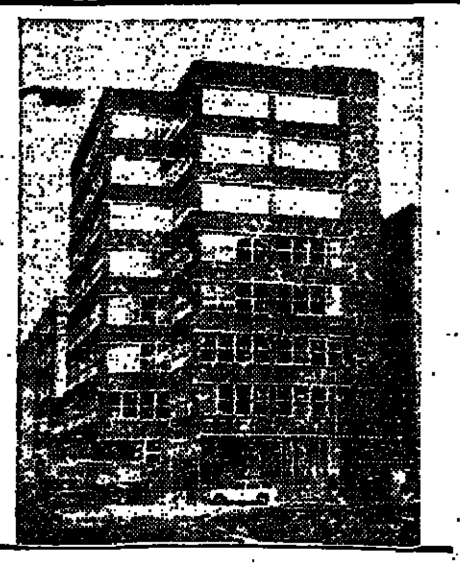

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RANK CITY WALL

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A SUPERB MODERNISED OFFICE BUILDING

7,015 sq.ft.

Automatic Passenger Lift
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Luxuriously Fitted & Designed Throughout

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Lift — Car Parking — Fitted Carpets
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Lift — Central Heating — Carpeting
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13,000 sq. ft. — Entire office floor in modern building
Lift — Central Heating — Partitioned offices

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only £4.25 per sq.ft.

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Approx. 15,300 sq.ft.

Fine Period Building. Many Amenities.

Goddard & Smith
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This is the entrance to £7 per sq.ft. of offices

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4,900/9,800 sq.ft. of modern offices to let

- Full reception facilities
- High speed lifts
- Partitioned offices
- Central heating
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INDUSTRIAL AND BUSINESS PROPERTY
RATE £9 PER SINGLE COLUMN CENTIMETRE

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approx **7,800** sq.ft.
(Will divide)
Opposite Station
Immediate Occupation
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Built in 1965. Lease for Sale on this single storey unit.

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1.33 Acre Industrial Land For Sale, Park Royal, London.
Detailed planning permission for erection of 36,000 sq. ft. warehouse. Existing accommodation 51,000 sq. ft. warehouse/industrial space.

Park Royal Industrial Estate (N.W.10)
Single storey industrial/warehouse — offices and showroom. Total area 14,234 sq. ft. Long lease for Sale.

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Close to city centre, 7 single storey warehouse units available (some with offices) from 6,500 sq. ft. to total of 60,000 sq. ft.

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Close to Stockport
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Located close to centre of Golborne, midway between Liverpool and Manchester and provides approx. 11,200 sq. ft. warehouse with 1,144 sq. ft. of offices.

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[illegible] Duncan Terrace City Road London [illegible]
Tel 01-27[illegible] and Overseas

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- Fully self-contained prestige premises
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RENT only 22p per sq.ft.
(Consent for New Warehouse)
75 years WITHOUT REVIEW
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OXFORD CIRCUS (close) 13,157 sq.ft.
EUSTON ROAD (off) 12,667 sq.ft.

Both modernised to a very high standard, with lifts and gas central heating.

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NORTH FINCHLEY N.12
Tenant: SECRETARY OF STATE FOR SOCIAL SERVICES
Income: £67,500 P.A. EXCLUSIVE
Lease: F.R.I. 25 years from Sept. 1975 R/R every 5 years

MICHAEL BERMAN & CO. 349 9211

East Cross Route
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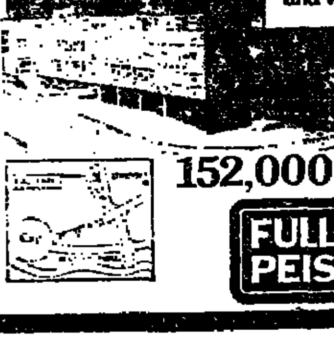
Exceptional factory, offices and warehouse.



152,000 sq.ft. To Let

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Property Board

DOUGLAS, ISLE OF MAN

ATHOL STREET. Commercial development site For Sale by tender. Site area 15m x 17.6m.
For full information and tender forms contact the Agents. Tenders by 12 noon, 19th December 1975 at Cowell Brothers & Stott, Exchange House, Athol Street, Douglas, Isle of Man. Tel. Douglas 23778.

Edward Rushton Son & Kenyon
Kings Court, Exchange Street, Manchester M2 3AX
Tel: 061-834 1814 also at London and Overseas.

LONDON E.1 (Close Aldgate Underground Station)
11,000-34,000 sqft
Commercial/Industrial Floors
Modern Building · To Let

Joint Sole Agents

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King & Co
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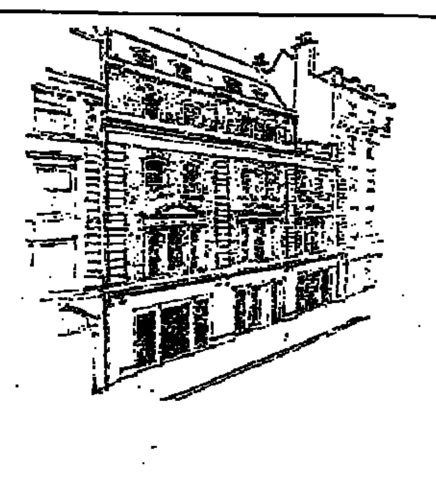
01-236 3000 Telex 885485



70-74 Cannon Street, London EC4.
Superbly fitted out and finished, it offers more than a fair share of prominent City frontage.
Backed by a modest 2,230 square feet of carefully planned office space.
Find out more by contacting

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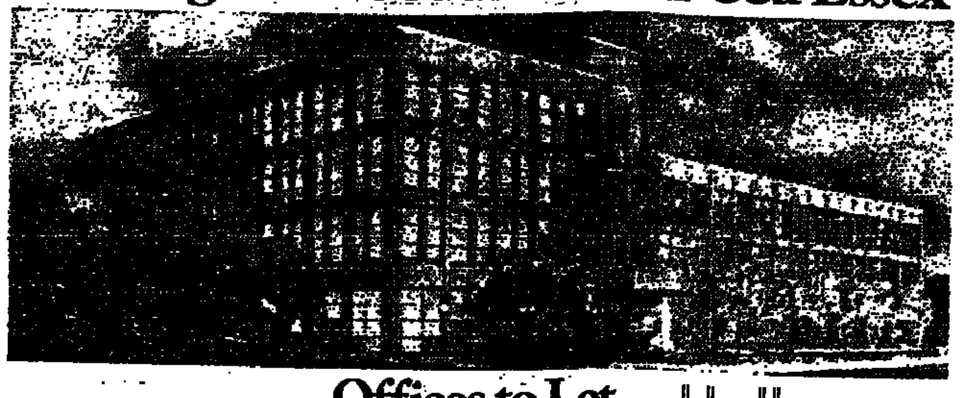
Telephone 01-248 3200

With only 2,230 square feet, you can still put up quite a front in the City

Hadleigh Nr. Southend-on-Sea Essex



Superbly designed office building shortly to be erected at Hadleigh, Essex. Offices of 26,800 square feet to be finished to highest specification

Offices to Let

with ample car parking. Available as two blocks of 11,560 square feet and 14,560 square feet, or as one. Agents:

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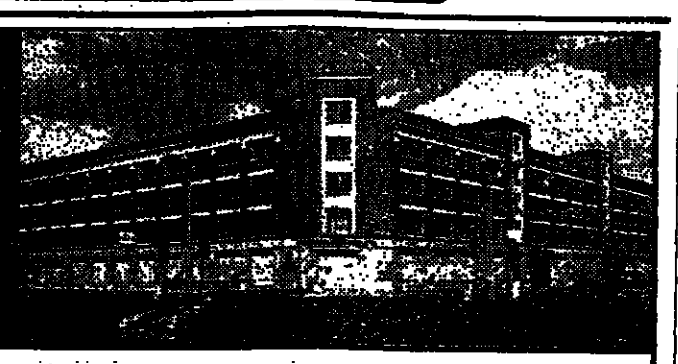
Countryside Properties Limited, 81-87 High Street, Billericay, Essex Telephone: Billericay 22686

COUNTRYSIDE

Borough High Street S.E.1



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* TWO STOPS FROM THE BANK OF ENGLAND *
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OFFICES	42,000 sq.ft.
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sq. 1,315 ft.

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Excellent road and rail access. Full amenities.

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Development Grants available

a natural choice

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021-643 9351

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Central Commercial Development Site

ontage 56 ft. Area 5,770 sq. ft. (with outline planning permission for shop, offices, flats)

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½ mile from
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INDUSTRIAL COMPLEX

5½ ACRES OF LAND
35,651 SQ. FT.

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Large tarmacked parking/vehicle storage area

PRICE: £225,000

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Early Possession
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Available **£25,000** to Tenants

OCCUPYING THIS STRATEGICALLY LOCATED NEW OFFICE DEVELOPMENT IN THE WEST MIDLANDS AREA OF BLACKHEATH (SANDWELL)

ARCADE HOUSE

comprising
24,800 sq. ft.
approx. to rent at
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- FULL AIR CONDITIONING
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PAUL WHITE
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Industrial Depot
5/12,000 sq. ft.

on a site of 1-2 acres
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M4-M3 Heathrow Airport

Ref: WHB

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OFF MARYLEBONE LANE W.1.

MODERNISED SELF-CONTAINED
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2,580 Sq. Ft.

TO LET or FOR SALE

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City of London

EC1
Self-contained Office Building
15,260 sq.ft.
Rent £3.60 per sq.ft.

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Also in the same area. Mainly on three floors, a self-contained office building to be extensively refurbished and offered for rental at £4 per sq. ft. Total floor space approx. 11,500 sq. ft. Completion of both these projects envisaged by June quarter day, 1976, and further particulars can be obtained from:—

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MODERN GROUND FLOOR OFFICES

4-9,000 sq. ft. Car Parking, Central Location, Excellent communications.

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CLOSE TO NEWCASTLE UPON TYNE

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Tel: 0632-26291

Bernard Thorpe & Partners,
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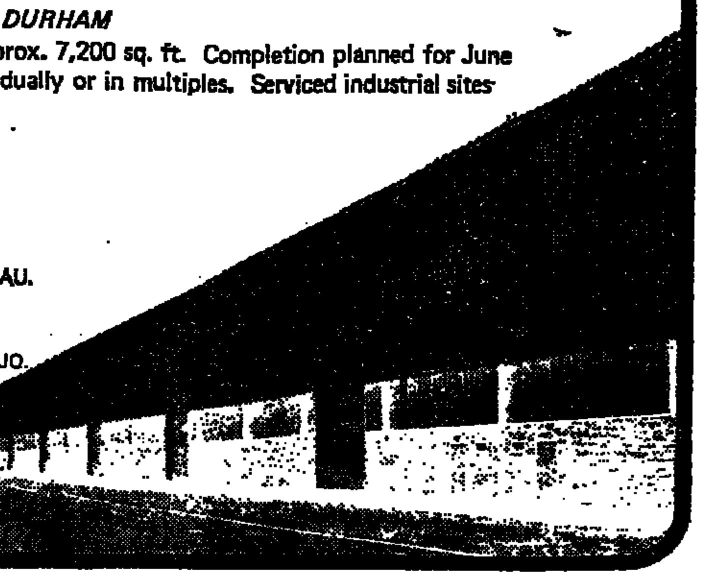
Newcastle upon Tyne NE1 6JQ.
Tel: 0632-611841



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Modern Fully air-conditioned Office Development

Immediate Occupation

26,750 sq.ft.

Assignment without premium

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- 200 yards from Main Line Railway Station
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Air-conditioned Offices

4,250-20,000 sq.ft.

Rent £11·00 P.S.F

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TO LET

21 DEVONSHIRE STREET, W.1

4200 SQ. FT. AT £5.18p PER SQ. FT.

LONG LEASE BY ARRANGEMENT
TELEPHONES INSTALLED: CARPETS: C.H. ETC.
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DERBY
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GUILDFORD AREA. Superb new 10,000 sq. ft. Office Block Individual S.C. Suites of 1,000, 3,000 or more. Carpeted c.h. kitchens. Car Park. Exciting opportunity for 1st Class Co. Possession Now. STREET GROUP. 01-643 8181.

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Please Ring 01-588 1031

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urgently required by Consulting Engineers. Approx. 3,500 sq. ft., parking for several cars. Large house with approved office user considered. Wimbledon, Epsom, or S.W. suburbs. Write Box T.4238, Financial Times, 10, Cannon Street, EC4P 4BY.

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Attractive freehold office investment let to public company at £9,400 p.a. Price £90,000.
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JOHN STURGEON LTD. (Principals) 388 1940

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2nd PHASE NOW AVAILABLE
SQ. 8,000—18,000 FT.
TO BE LET
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FACTORY/WAREHOUSE. 5,300 sq. ft. Immediate occupation. Yard and parking. Established Industrial Estate. Chertsey. Available to rent. Apply A. C. Frost & Co. Tel. Windsor 54555-8.

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For details: Box No 06-A 115 047, Publicitas Geneva. Rue du Prince 9-11, 1211 Geneva, Switzerland.

CONTRACTS AND TENDERS
A. G. McKEE & CO.
on behalf of
YACIMIENTOS PETROLIFEROS FISCALES BOLIVIANOS
INTERNATIONAL PUBLIC LICITATION NO. 11
PURPOSE: Supply of shell and heat tube exchangers for a refinery at Cochabamba, Republic of Bolivia.
OPENING OF BIDS: On January 27, 1976 at the below-mentioned offices, at 11:00 a.m. The bids will be received until that date and time.
PRICE OF SPECIFICATIONS AND BIDDING CONDITIONS: U.S. $50.00 or its equivalent.
BID BOND: 0.5% of the amount of the bid.
INQUIRIES AND DOCUMENTATION: Inquiries may be made and specifications and bidding conditions may be secured at the office of "A. G. McKEE & CO.," Hipolito Yrigoyen 440, 8th floor, Buenos Aires, Argentina.
VALIDITY OF OFFERING: Ninety days following bid opening date.
FINANCING: By the BANCO INTERAMERICANO DE DESARROLLO (INTERAMERICAN DEVELOPMENT BANK), in accordance with Contract No. 225 OC-BO with the Government of the Republic of Bolivia.

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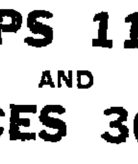

01-493 1693

London & Midland progress

REPORTING an advance from £310,000 to £629,000 in pre-tax profit for the half year to Sept. 30, 1975, the directors of **London and Midland Industrials** say they are "cautiously optimistic" that the group can produce satisfactory results for the current year.

Earnings per 25p share for the half year are shown to have risen from 4.1p to 5.5p and the interim dividend is stepped up from 1.5p to 1.6p net. The total for last year was 3.7p from profits of £1.26m.

The company is now a diversified group predominantly in the engineering industry.

	Half-year 1975 £000	1974 £000
Sales	6,382	5,759
Pre-tax profit	629	310
Taxation	327	265
Net profit	302	245
Minority profit	5	7
Extraordinary debit	1	*12
Attributable	296	250

* Credit

Statement, Page 20

Better second half at Gleeson

TURNOVER of M. J. Gleeson (Contractors) advanced 25 per cent. from £36m. to £45m. in the *year to June 30, 1975 and* pre-tax profits rose from £701,000 to £903,000 after a fall from £550,000 to £412,000 for the half year.

At midway the directors said they were hopeful that figures for the second half would show an improvement, leading to a satisfactory overall result for the year.

They now say they expect the 1974-75 turnover level will be maintained in the year but feel it unwise to make a profit forecast.

Regarding prospects, the position of the order book is "very satisfactory," but in view of the repeated warnings that public expenditure may have to be further curtailed they must take a cautious view.

Earnings per 10p share are shown to have risen from 3.61p to 4.43p and the dividend total is lifted from 1.4034825p to 1.49775p with a final of 0.93341p net.

	1974-75 £000	1973-74 £000
Turnover	45,060	36,008
Pre-tax profit	903	701
Taxation	460	340
Net profit	443	361
Interim dividend	31	32
Final dividend	61	58

No further provision against land values has been necessary, and the profits increased despite the effect on the trading margin of higher costs arising at the end of the last fixed price contracts, the directors point out.

The company operates as civil engineers building contractors and estate developers.

Statement, Page 31

Investment Trust

Gross income of **The Investment Trust Corporation** was little *changed at £1,595,451, compared* with £1,604,878 for the six months to November 1, 1975 and net taxed revenue was £842,588, compared with £865,584. The figures for the year to May 1, 1975 were £3,044,778 and £1,628,029 respectively.

As known the interim dividend *is 1.43p net (1.407p) per 25p share.* Last year's total was 4.327p.

Net asset value per share (including full investment dollar premium) after deducting prior charges at repayment values was 208p (201p at May 1, 1975) or 207p (200p) assuming full conversion of the convertible loan stock.

	Six months 1975 £	1974 £
Franked income	970,396	983,181
Unfranked	457,058	450,058
Deposit interest	138,037	171,659
Total gross income	1,595,451	1,604,878
Management expenses	81,198	67,794
Deb. and loan interest	102,865	122,300
Taxation	569,000	549,000
Net revenue	842,388	865,584
Preference divs.	31,899	34,256
Available Ord.	810,379	831,328
Interim dividend	443,771	456,360

Valor down £0.65m.

Manufacturers of heating and cooking appliances, the Valor Co. reports a fall in taxable profit from £850,961 to £203,663 for the 28 weeks to October 10, 1975 and the directors say *they* do not expect a significant variation from the present tren dduring the remainder of the year. Last year's profit *totalled* £815,825.

Turnover for the 28 weeks fell slightly from £13.22m. to £13.03m. Tax takes £51,086 (£389,328) leaving the net balance down from £461,633 to £152,577.

Basic earnings per 25p share are given at 1.04p (4.1p) and diluted at 1.3p (3.94p). The interim dividend is held at 0.638p net. Total for the year to March 31, 1975 was 2.164p.

The profit arises from an increasingly good trading *performance overseas* and from exports, the directors explain.

The downturn in consumer spending has had a marked effect on the national sale of electric and gas cookers, resulting in substantial losses in the Liverpool cooker factory which is now the principal factor affecting overall performance of the group.

This is a condition about which the directors are considering a number of alternatives. They continue both to protect the business and widen its base "ready to take full advantage of a return to normality."

ART GALLERIES

KAPLAN GALLERY, 5 Cork St., W.1. An exhibition of paintings by ERNEST CHEVALIER 1862-1917. Mon.-Fri. 10-6 Sat. 10-1 01-437 0264

MARJORIE PARR GALLERY, 285, Kings Road Chelsea SW3. CHRISTIAN BRETT Paintings. ROBERT SCOTT SIMON. Sculpture Clocks. Until December 20th. Open all day Saturday. Closed Mondays.

CLUBS

THE GASLIGHT—We never let you down Monday-Saturday. You will be very impressed with our friendly professional services, sensible prices, good company and entertainment from 9 p.m. 4 Duke of York Street S.W.1. Reservation, 734 1071 daytime, 930 1645 after 5 p.m.

GARGOYLE, 69, Dean St., London, W.1. STRIPTEASE FLOORSHOW SEX UNLIMITED Show at midnight and 1 a.m. Hostesses Monday-Friday. Closed Sats. 437 6456

EVE, 189 Regent St. 737 0557. A la carte or All-in Menu. Spectacular Floor Shows plus the rhythm of Los Vera Cruz and music of Johnny Hawkesworth & Friends

MINING NEWS

Anglo-Vaal opens the dividend season

BY LESLIE PARKER, MINING EDITOR

THE DECEMBER dividend season for the South African mines started off on its usual early note with the announcements from the **Anglo-Transvaal** group. That for the antimony producing **Consolidated Murchison** will probably please the long-term bulls of the *shares in that at 60 cents it makes* a 1975 total of 80 cents even though this compares with last year's 130 cents.

The payment absorbs R3.33m. from a profit of R6.8m. The shares up 20p at 740p yesterday in front of the announcement, have recently been in demand on the basis of 1976 *prospects* which hopefully include the kind of revival in antimony demand that will enable the company to reap the highly profitable benefits of the already *paid for stockpile* that has had to be built up during the 1975 period of slack trading.

The 85 cents interim from the **Hartebeest** gold-uranium mine is the same as a year ago. The 1974-75 total was 215 cents. Optimists had been hoping for a 5 cent increase in the December *declaration.* **Zandpan's** 14.25 cents dividend is in line with its shareholding in Hartebeest.

Anglo Transvaal itself has lifted its interim by 5 cents to 25 cents. The total of 95 cents for the year to last June came out of record earnings of 296 cents. **Middle Wit's** interim of 15 cents *is up by 1 per cent.* Its results are now consolidated into those of the parent Anglo-Vaal and will make a full impact on that company's earnings in the year to *next June.*

Anglo-Vaal thus looks to be heading for a higher 1975-76 distribution in line with the chairman's remarks reported here on October 30. Yesterday the shares fell ¼ to £12¼.

The group's Associated Manganese Mines brings its 1975 dividend up to 90 cents with a final of 60 cents from doubled profits of R15.7m.

GOLD SALES KEEPING UP

For the fifth week running, South Africa has sold gold from reserves on the free market in addition to the weekly newly mined output of around 14½ tonnes. Reserve Bank figures show that for the week ended November 21 the Republic's gold hold*ings fell by R0.9m. to R525.5m.* during the period, indicating sales from reserves of about a tonne.

The bullion price fell below the *$140 per* ounce level yesterday, closing at $138.75, partly as a reaction to the firmness of the dollar, following the news that President Ford has now proposed *Federal loans—subject to strin*gent conditions—for the rescue of New York City from its current financial crisis.

It was felt that any such scheme would have bearish implications for gold in that it might prompt sales of the metal by investors who had bought bullion on fears *of a fresh bout of currency un*certainty which could have ensued if New York had been declared bankrupt.

CLYDESDALE BATTLE

Heavy Johannesburg dealings recently in Clydesdale Collieries shares have raised question marks over the future control of this South African coal group presently managed by General Mining our correspondent reports. The buyer has turned out to be *the big insurance group* Guardian Liberty which will resultantly have slightly more than General Mining with 20 per cent.

Indications are that Guardian Liberty will be content to vote its shares with General Mining so fighting off any other attempt to move into control of Clydesdale which has the contract for the big new Malta power station tied up.

BISICHI PAYING MORE, BUT . . .

A *dividend* raised by the permitted maximum to a net 0.2132p is declared for 1974 by Bisichi Tin. Pre-tax profits for the year of the tin-columbite producing group which *include the share of the*... of the Nigerian subsidiary, amount to £82,020 compared with £76,0.. for 1973.

After a sharply increased tax charge, retained earnings come out at £30,128 against £54,770. It is stated that, owing to currency realignment, there is a surplus of *£36,500 relating to fixed assets* in Nigeria which has been taken into capital reserve.

Last year Bisichi's operations enjoyed the benefits of increased tin production coupled with a sharply higher tin price which averaged £3,493 per tonne on the London Metal Exchange. During *the current year* to date, however, production has fallen back markedly and a lower metal price has obtained. Bisichi were 41p yesterday.

MINING BRIEFS

MOUNT ISA MINES—Four weeks to Nov. 23. Lead ore treated 173,859 tonnes, *produced 10,900 tonnes crude lead* and 16,817 tonnes zinc concentrate. Copper ore treated 352,815 tonnes, produced 11,5.. tonnes blister copper.

BIDS AND DEALS

TENNECO-HARMO

The sterling dollar Convertible Unsecured Loan Stock 1991-95 of **Tenneco Inc.,** to be offered for the issued capital of **Harmo Industries,** has been underwritten for cash at par. *It will carry* an interest coupon of 10 per cent. per annum (payable semi-annually on June 30 and December 31) and will be convertible into Common stock of Tenneco from April 1, 1977, for its remaining life at a price (subject to adjustment in certain events) of $27¼ per share. The *stock* has *been* underwritten by Morgan and Cie International SA and Credit Suisse White Weld. Sub-underwriting has been *arranged* by Cazenove and Co.

THORN

A new company, *Bladecraft* has been established and now acquired by the electrical and hydraulic division of Thorn *Electrical Industries* to continue the business previously carried out by Bradford Power Systems and its associated companies, which have been in financial difficulties. The new company will trade with the name of Bradford *Cylinders.*

UNIGATE

Unigate has sold its head office at 34 Palace Court, London, W.2 to Esca Estates, a company owned jointly by the Electrical Contractors Association, the Heating and Ventilating Contractors Association and the Electrical Contractors Association of Scotland.

From the start of business on *December 1, the group head* office of Unigate will be at Western Avenue, London, W3.

ASSOCD. TOOLING

Associated Tooling Industries has allotted a total of 21,000 Ordinary shares to one of the previous shareholders of Graveley Engineering, acquired by ATI in September, 1970, by way of redemption of two promissory notes totalling £6,250.

Final instalments of purchase money under the vending agreement, totalling £6,250 are due to be paid in November, 1976.

ALLIED PLANT

The vendors of F. K. West have elected to accept the issue of 100,000 Ordinary shares in Allied Plant Group, by way of settlement to them of £12,500 in respect of profit escalation for the year to November 30, 1974, on the purchase of West by Allied Plant.

McCLEERY L'AMIE IN CANADA

The McCleery L'Amie Group has expanded its manufacturing and merchanting activities through the formation in conjunction with **Amjay Cordage,** of a new company incorporated in Canada and located in Ontario, *called Amjay Ropes and Twines.* Working capital of the new company totals $3m. of which $2m. has been raised in Canada and the remainder subscribed by McCleery L'Amie and Amjay in the proportion of 70 per cent. and 30 per cent. respectively.

The merchanting business of *Amjay Cordage* will be merged into the new company.

FINANCE FOR MANSON

Manson Finance Trust announces that F. L. Smidth and Co. has now agreed to lend a further £1m. to Manson and to subscribe for 850,000 new Ordinary shares at 30p on terms similar to the agreement entered into in June 1974.

The loan is for a *minimum* six years and will bear interest at 2 per cent. over Barclays Bank Base lending rate.

The acquisition of shares will increase the holding of Smidth from 20 per cent. to 29.58 per *cent. of the total Manson capital.*

The agreement will provide undertakings which will ensure continuity in the management of Manson and the type of business in which it would engage. It is conditional on prior approval by shareholders.

ASSOCIATES DEALS

Hoare and Co. Govett on behalf of investment clients sold ... *Bowater at 159p and bought* ... at 161p.

R. Layton sold for an associate 10,000 Central and Sheerwood at 25p.

Henderson Crosthwaite and Co. bought 225,000 Marryat Group at 23⁷⁄₁₆p for Kleinwort Benson on behalf of an associate.

SHARE STAKES

R. and A. G. Crossland—As... *Securities has purchased a further* 39,000 Ordinary shares and now holds 16.5 per cent. of the issued share capital.

Provincial Cities Trust—James Finlay Corporation has sold 302,500 and its *interest* is now ... shares.

Sheffield **Brick Group**—Rail Engineering interest is *190.5..* Ordinary shares (19.3 per cent.).

Charles Wade and Co.—Derby and Co. has bought a further 5,0.. "B" Ordinary and now has 645,0.. Ordinary and 5.2m. "B" (68.8 per cent. of the equity).

ANGLO-THAI

Proposals relating to the 5½ per cent. convertible unsecured loan stock 1987-92 of the Anglo-Thai *Corporation have been approved* by stockholders.

Acceptances in respect of the separate cash offer were received in respect of 34,783 of the Ordinary shares in Inchcape which fall to be allotted to holders of £42,026 nominal of stock in Anglo-Thai (5.34 per cent. of the shares for which the offer was made).

BRITISH PAPER LINK

MacMillan Bloedel Containers has taken a substantial minority interest in British Paper (Waste...).

Under an agreement which permits MacMillan Bloedel to appoint three directors, Board members are Austin Pilkington, chairman and managing director; *Nicolas Francis,* executive director; R. B. Adamson, Michael Bostelmann, F. W. King, P. ... Butterick, Robert A. Wallers.

This new agreement will lead to further developments and capital programme to expand facilities and introduce new equipment.

Improvement at Flight Refuelling

First-half taxable profits of **Flight Refuelling (Holdings)** are ahead from £227,000 to £237,000, and the directors consider second half results will show a "worth*while" improvement on the first.* Profit for all the year 1974 was £584,000.

The net interim dividend is lifted from 0.689p per 25p share to 0.75p. The 1974 total was 2.132p.

First half net profit, after tax of £125,000 (£117,000) was £112,000, against £110,000.

New Court Natural Resources

In the first half ended September 30, 1975, income before tax of New Court Natural Resources has fallen from £554,775 to *£267,868. The directors* stress, however, that levels of income in each six monthly period are influenced materially by the amounts of funds on deposit, variations in *interest* rates, and dates of maturity of certificates of deposit.

They anticipate that revenue in the second half will exceed the first, and they intend to keep this aspect of the business under close review.

Net asset value per share was 93.8p *on November 1.*

BANK RETURN

	Wednesday Nov 26 1975	Inc. (+) or dec. (—) for week
BANKING DEPARTMENT		
LIABILITIES	£	£
Capital	14,553,000	
Public Deposits	20,262,034	— 251,035
Special Deposits	832,705,301	
Bankers	255,296,407	— 33,073,004
Reserves & Other Accs.	365,992,851	— 26,752,538
	1,642,808,078	— 12,105,431
ASSETS		
Govt. Securities	1,243,086,533	— 42,150,000
Advance & Other Accs.	338,116,237	— 21,747,819
Premises, Equipt. & other Secs.	25,666,311	— 514,696
Notes	21,682,456	— 8,324,113
Coin	252,071	— 16,667
	1,642,808,078	— 12,105,431
ISSUE DEPARTMENT		
LIABILITIES	£	£
Notes Issued	5,950,000,000	— 50,000,000
In Circulation	5,928,311,574	— 41,175,887
In Bank's Dept.	21,682,456	— 8,824,113
ASSETS		
Govt. Debts	11,015,100	
Other Govt. Secs.	5,244,826,521	— 30,553,234
Other Securities	694,158,359	+ 29,110,766
	[illegible]	[illegible]

DOLAN PACKAGING LIMITED

ANOTHER RECORD YEAR

Year Ended 30th June	1975	1974	1973
	£000	£000	£000
Group Sales	13,783	11,610	8,390
Profit after Tax	1,007	830	513
	p	p	p
Earnings per Share	11.90	9.80	6.05
Dividend per Share	1.93273	1.77282	1.76400

Points made by the Chairman, Mr. G. Dolan.

* Major development project completed.
* Growth policy to continue.
* Extension of interest into plastic packaging.
* Group keeps pace with inflation.

Copies of the Annual Report may be obtained from the Secretary, Dolan Packaging Ltd., "Dolan House" Manor Lane, Holmes Chapel, Crewe, Cheshire CW4 8AO

The CEGB yesterday announced the placing of three major contracts, worth £83m., for its Dinorwic project. David Fishlock reports

Power to move a mountain

DEEP IN the bowels of a Welsh mountain one of the world's most ambitious schemes for harnessing water has begun to take shape. Patterns of explosive are eating the blue-grey rock into a £150m. labyrinth of caverns and tunnels through which water will surge at a rate of up to 400 tons a second.

Dinorwic power stationprojectes in the shadow of Snowdon at the fringe of the Snowdonia National Park, but in a region long ravaged by the search for slate. Although the scheme was fiercely fought against in its formative years by those who wanted no fresh intrusion whatever into this misty corner of Wales, there will be little enough for the tourist to see by the early 1980s.

The Central Electricity Generating Board, which was given the green light to proceed with the project this week, is spending more than £10m. just to make sure that, to the casual eye, Dinorwic means little more than a few "hobbit holes" in the slatey slopes of a mountain. Even the transmission cables which will be able to bring out enough electricity for nearly ... people will be concealed underground.

Mr. Iorweth Ellis, the engineer in charge of the pumped storage project.

More subtle

Dinorwic is not a true hydro-electric project. Rather, it is a pumped-storage scheme. Unfortunately almost every drop of continuous water power that can be harnessed economically in Britain is already generating electricity. Dinorwic's role is more subtle. It will be a machine that can either absorb or deliver tremendous bursts of electricity to the national "grid" at very short notice, to help iron out perturbations in supply or demand.

For example, Dinorwic will be able to replace, at only 10 seconds' notice, the failure anywhere in England or Wales of one of the biggest single units of generating capacity expected in the late 1980s. This would be a 1,300 MW turbo-alternator, a design now on the drawing board. The CEGB's operations staff see it as a way of giving the world's largest inter-connected electricity supply system a flexibility it lacks at present at a price that could be approached in no other way.

Dinorwic is never called upon to deliver electricity, it could still save the CEGB £1m. a month. This is the extra cost of operating certain power stations as a "spinning reserve," so that they keep a quarter of their capacity in hand for quick delivery should a sudden failure or surge in demand occur. No other electricity system in the world, Mr. Iorwerth Ellis, the affable Welsh-speaking engineer in charge of the project, believes, will keep such a chunk of capacity ready to receive or release "instant energy."

In effect, Dinorwic will be a huge hydraulic battery which can convert a head of water into electricity, or *vice versa*, on demand. Run one way, its turbo-pumps will use surplus electricity, mostly at night, to lift water up to a lake nestling over 1,600 feet up the mountain. Run in reverse, the same machines will deliver up to 1,845 MW for several hours—until the head of water runs out—to meet any failure or deficiency in the normal supply.

The scale of the project can be imagined from the size of the subterranean excavations these machines will require. Two vast caverns, each substantially larger than a football field and high enough for a seven-storey building, will be needed to accommodate the electro-hydraulic machinery and the transformers. In addition, a web of tunnels, the smallest of which will comfortably accommodate two double-decker buses side-by-side, will permeate the mountain.

Three of the most important contracts, totalling around £83m., have now been confirmed, it was announced yesterday. They include the biggest civil engineering contract ever placed in the U.K. This contract—worth about £60m. and won by a consortium headed by Sir Alfred McAlpine and Son—is for the excavation of the main caverns and tunnels. Others go to GEC Machines (about £14m.) for the six 330 MVA generator-motors and their associated electronic starting equipment so crucial to the performance expected of the new plant; and to Gleesons Civil Engineering (about £9m.) for work on the mountain-top Marchlyn Reservoir, now to become the upper reservoir for the project. One further contract will shortly be placed, with Boving for turbo-pumps, worth about £25m.

The engineers estimate they will need to excavate more than 1m. cubic metres of mountain weighing more than 2m. tons. Since early last year, when CEGB contractors began to drive tunnels into the mountain, they have learned a great deal about sculpting slate.

Slate fractures cleanly and smoothly to give a characteristically "blocky" appearance. To make the best use of its intrinsic strength the excavations are being oriented so that the line of thrust will be at right-angles to the cleavage planes of the slate. Mr. Ellis likens the problem to that of trying to lift a stack of books from a shelf. Apply too little thrust to the ends of the stack and the books will simply slide away.

Successful excavation of slate depends on maintaining the rock under enough compressive stress, so that it is self-supporting. The engineers use computer programs to try to predict the stress patterns they will encounter. Later they will be able to instrument their labyrinth and compare their forecasts with measured stresses and strains.

Rock fall

Already, tunnels have been driven deep into the mountain, both to train local workers—the Generating Board gave Caernarvon County Council an undertaking that at least 70 per cent. of the 1,400 peak workforce it expects to require will be locally recruited — and to gain experience of the conditions.

After one early mishap, when a rock fall occurred during an attempt to tunnel through comparatively unstressed rock, delaying progress for some months, everyone has learned quickly. Lately the excavation has progressed at speeds "significantly higher than the original contract rate," says Mr. Ellis. His main plant access tunnel into the mountain, nearly 20 feet in diameter, has been advancing at over 160 feet per week. (This weeks incident, when three men working on a ventilation shaft 600 feet down were injured, was caused by a cable's snapping.)

For Mr. Ellis, who previously has managed coal, oil and nuclear projects, Dinorwic has major points of similarity with—as well as big differences from — other power station schemes. One big difference is the very large area spanned by the project, 25 square miles, which necessitates his presence on the site while other project managers remain at the CEGB's engineering headquarters near Cheltenham (and being bilingual is proving an important advantage in this predominantly Welsh-speaking region).

Another special feature arises from the way Dinorwic will be used. Where big modern power stations are normally used as base-load stations, and operated almost continuously at a high load factor, the whole point of this plant will be its ability to cycle rapidly from delivering nearly 2,000 MW to absorbing nearly 2,000 MW. Metal fatigue in the turbo machinery thus becomes a serious question. Dinorwic is being designed for a forecast 300,000 load cycles over a lifetime of 40 years.

Mr. Arthur Hawkins, chairman of the CEGB, stresses three aspects of the Dinorwic project as especially important. One is the employment it will afford in an area of high unemployment. Another is the work it will bring to manufacturing industry. The third is that, once in service, Dinorwic will increase effectively the coal-burning capacity of the CEGB system by about 1.5m. tons annually.

When Dinorwic is fully in operation — the present schedules on the wall of Mr. Ellis's office say in 1981—it will give Britain a total pumped storage capacity approaching 3,000 MW. This is enough, says the CEGB, to meet its storage requirements "for some time." But storage could find a much bigger role in the U.K. "grid" of the 1990s when nuclear capacity begins to outstrip the minimum night-time demand for electricity.

Wound-up company to pay policyholders

FINANCIAL TIMES REPORTER

GUERNSEY, Nov. 27.

AN INTERIM repayment is to be made soon to over 300 policyholders, mostly living in the U.K., who invested some £750,000 in an assurance investment plan operated by the Guernsey-based International Underwriters Association, which was compulsorily wound up nearly two years ago.

Guernsey's Royal Court to-day granted an application from the liquidator, Mr. Godfrey Vines, for a commissioner to be appointed for this purpose.

The court was told that IUA had liabilities of nearly £900,000 and that assets in hand collected by the liquidator were about £500,000. The realisation of further assets was likely to take several years as some of them were tied up in complicated international reinsurance agreements.

Meanwhile, many "pathetic" letters had been received by the liquidator from policyholders, some having invested their life savings in the plan, and permission was therefore being sought to make an interim distribution of assets collected so far.

Mr. Vines later said it was hoped that the interim payment would be 45p to 50p in the pound, although the exact amount would depend on the commissioner, Mr. F. Chandler. He expected the money to be paid by "early in the New Year" at the latest.

IUA was set up in 1970 by Mr. Derek Jarvis Saffell.

Gas conversion for Channel Is.

ABOUT 23,000 gas consumers in Jersey and Guernsey will have their 60,000 appliances converted to a butane-air substitute for natural gas in the coming year.

The islands at present use a "town" gas made from butane oil.

Guernsey Gas Light and Jersey Gas will spend a total of more than £1m. on appliance conversion and the installation of new plant.

Two main factors have led the islands' privately owned undertakings to embark on the conversion.

One was the prospect that the Channel Islands — with no natural gas within reach—would, become virtually Europe's only "town" gas users and be starved of suitable new appliances.

In addition the escalating cost of butane oil made it urgent to look for a more economical method of production.

Guernsey Gas is to begin converting 25 000 appliances in January and hopes to complete the work by September. Jersey Gas has not yet finalised its programme.

An advantage of the natural gas substitute is that appliances converted to it can still use the islands' present type of gas, which means that the change in supply can take place unhurriedly.

It will be possible for the conversion work in Guernsey's hotels and restaurants to be done before the main tourist season starts, even though some establishments may not be using the new gas until August or September.

New tennis sponsorship by Pernod

A NEW £20,000 international tennis circuit will be sponsored in Britain next autumn by Pernod, the French drinks company, it was announced yesterday.

The Trophée Pernod circuit will consist of three week-long tournaments at three separate indoor centres next October. There will be two main open singles events and two international singles events for players under 21.

Seven overseas nations will be invited to send their best four young players, two men and two women, to compete for a nations' prize and for the individual titles each week.

Mr. George Hendon has been appointed director of the Trophée Pernod. He will give details of venues, prize money and invitations later.

The circuit would give the British public a chance to see future world stars in action, said Mr. Claude de Jouvencel, managing director of Pernod (U.K.).

The company's decision to sponsor the international circuit follows its successful first venture with tennis sponsorship last year, the Pernod tournament at Paddington, he said.

Mr. John White, chairman of the Lawn Tennis Association, said "The LTA will give its full support to the venture, which we are confident will grow into a circuit of considerable stature."

TREND OF INDUSTRIAL PROFITS
ANALYSIS OF 692 COMPANIES

The Financial Times gives below the table of company profits and balance-sheet analysis. This covers the results (with the preceding year's comparison in brackets) of 692 companies whose account year ended in the period between January 15, 1975, and April 14, 1975, which published their reports up to the end of October, 1975. (Figures in £000.)

INDUSTRY	No. of Cos.	Trading Profits (1)	% change	Profits before Int. & Tax (2)	Pre-Tax Profits (3)	Tax (4)	Earned for Ordinary Dividends (5)	% change	Ord. Dividends (6)	% change	Cash Flow (7)	Net Capital Employed (8)	Net Return on Cp'l % (9)	Net Current assets (10)
BUILDING MATERIALS	37	199,753 (238,175)	—16.1	141,113 (186,324)	108,052 (172,267)	60,108 (86,164)	44,632 (79,694)	—44.0	18,452 (17,547)	+5.1	78,035 (104,740)	974,434 (860,091)	14.5 (19.3)	254,435 (197,238)
CONTRACTING & CONSTRUCTION	22	32,494 (30,045)	+8.1	22,352 (20,813)	18,872 (19,480)	28,112 (9,400)	9,620 (9,937)	—3.2	2,591 (2,362)	+9.7	16,051 (15,363)	90,766 (65,740)	24.6 (24.5)	30,916 (27,719)
ELECTRICALS (EX ELECTRN. ETC.)	11	447,535 (424,185)	+5.5	323,928 (304,793)	287,411 (276,450)	148,784 (140,364)	156,077 (132,513)	+2.7	31,787 (31,033)	+2.4	224,289 (218,263)	1,504,479 (1,263,139)	21.5 (24.1)	683,047 (561,611)
ENGINEERING	62	199,814 (156,182)	+27.9	159,263 (123,232)	129,975 (103,667)	72,062 (51,584)	65,844 (51,215)	+28.6	22,001 (20,720)	+6.2	71,155 (58,088)	830,541 (711,731)	19.2 (17.3)	335,568 (289,687)
MACHINE TOOLS	6	26,758 (21,854)	+22.4	20,304 (15,957)	15,940 (12,434)	10,609 (6,429)	4,019 (5,109)	—21.3	1,947 (2,751)	—29.2	7,333 (7,353)	150,816 (123,780)	13.5 (12.9)	69,667 (58,626)
MISC. CAPITAL GOODS	20	47,129 (36,539)	+29.0	40,046 (31,715)	31,170 (27,823)	16,126 (13,643)	14,618 (14,032)	+4.2	3,467 (3,203)	+8.2	16,604 (14,391)	232,593 (160,899)	17.2 (19.7)	110,645 (72,316)
TOTAL CAPITAL GOODS	178	953,483 (906,980)	+5.1	707,006 (652,834)	591,418 (612,121)	335,801 (307,584)	274,810 (292,500)	—6.0	80,245 (77,616)	+3.4	413,445 (418,198)	3,783,629 (3,205,380)	18.7 (20.7)	1,484,578 (1,207,797)
ELECTRONICS RADIO & TV	12	88,687 (79,337)	+11.8	62,085 (57,599)	50,453 (49,692)	24,875 (24,317)	24,027 (23,899)	+0.5	6,884 (6,433)	+8.3	43,521 (39,193)	304,499 (246,631)	20.4 (25.3)	103,004 (76,085)
HOUSEHOLD GOODS	19	27,008 (28,853)	—6.4	20,296 (23,383)	15,543 (20,670)	8,157 (10,172)	7,267 (10,250)	—29.1	2,666 (2,685)	—0.7	9,519 (11,562)	125,928 (105,550)	16.1 (22.6)	43,930 (38,976)
MOTORS & COMPONENTS	10	39,210 (29,979)	+30.8	31,352 (23,950)	24,371 (20,186)	11,234 (10,021)	12,602 (9,526)	+32.3	4,225 (3,645)	+15.9	15,222 (11,092)	160,655 (126,561)	19.5 (18.9)	61,758 (44,018)
MOTOR DISTRIBUTORS	9	17,228 (15,462)	+11.5	10,911 (9,500)	7,631 (6,974)	4,181 (3,593)	2,810 (3,164)	—11.2	1,816 (1,707)	+6.4	6,628 (6,943)	74,253 (69,013)	14.7 (13.8)	9,367 (10,193)
TOTAL CONSUMER DURABLES	50	172,133 (153,621)	+12.0	124,644 (114,432)	97,998 (97,522)	48,447 (48,105)	46,706 (46,841)	—0.3	14,591 (13,470)	+8.3	74,890 (68,790)	665,353 (545,555)	18.7 (21.0)	218,059 (169,[illegible])
BREWERIES	5	44,914 (69,621)	—35.5	36,304 (40,947)	25,817 (31,836)	13,180 (15,970)	12,174 (15,354)	—20.7	7,282 (6,864)	+6.1	18,224 (15,349)	449,765 (288,154)	8.1 (14.2)	[illegible] (—4,877)
DISTILLERIES & WINES	5	101,272 (106,024)	—4.5	92,086 (97,971)	79,050 (88,951)	41,832 (45,064)	36,943 (43,605)	—15.3	20,138 (19,000)	+6.0	25,152 (32,021)	611,846 (487,576)	15.0 (19.7)	401,105 (346,548)
HOTELS & CATERERS	5	4,077 (4,234)	—3.7	3,365 (3,638)	1,844 (2,544)	805 (943)	1,031 (1,591)	—35.2	611 (665)	—8.1	689 (1,313)	18,591 (24,622)	18.1 (14.8)	—12,353 (—7,797)
LEISURE	5	16,513 (17,207)	—4.0	11,015 (12,814)	8,287 (10,537)	4,276 (5,140)	3,940 (5,074)	—22.3	2,302 (2,792)	—17.2	6,568 (6,223)	73,859 (64,252)	14.9 (19.9)	4,851 (3,880)
FOOD MANUFACTURING	20	160,761 (147,401)	+9.1	115,996 (108,732)	67,973 (79,578)	34,907 (38,716)	26,487 (37,384)	—29.1	13,222 (13,134)	+0.7	55,047 (60,585)	960,631 (900,337)	12.1 (12.1)	147,049 (124,359)
FOOD RETAILING	12	164,828 (138,655)	+18.9	122,535 (108,453)	93,011 (81,764)	45,410 (45,669)	42,974 (40,993)	+4.8	(15,914) (14,273)	+11.5	65,550 (54,958)	852,323 (670,239)	14.4 (16.2)	137,106 (100,354)
NEWSPAPERS AND PUBLISHERS	11	12,561 (12,189)	+3.0	10,001 (9,775)	7,581 (8,471)	4,315 (4,736)	2,985 (3,289)	—9.2	1,339 (1,243)	+7.7	3,395 (3,612)	60,514 (66,198)	16.5 (14.8)	18,062 (15,655)
PACKAGING AND PAPER	12	71,132 (57,954)	+22.7	54,245 (42,818)	44,468 (36,371)	21,737 (17,655)	19,526 (16,483)	+18.5	5,813 (5,490)	+5.9	30,421 (26,266)	301,974 (240,606)	18.0 (17.7)	82,016 (49,765)
STORES	52	630,243 (524,519)	+20.1	481,663 (465,250)	433,263 (432,262)	232,044 (216,193)	209,394 (213,870)	—2.1	90,830 (85,604)	+6.1	176,294 (193,123)	2,378,032 (2,000,251)	20.2 (23.2)	635,369 (543,457)
CLOTHING AND FOOTWEAR	31	33,249 (31,951)	+4.1	25,439 (24,997)	19,448 (21,093)	10,332 (10,678)	8,869 (10,249)	—13.5	3,632 (3,600)	+0.9	10,677 (11,138)	138,606 (119,480)	18.3 (20.9)	46,201 (35,598)
TEXTILES	36	270,279 (262,103)	+3.1	203,568 (202,811)	159,569 (168,438)	44,193 (49,384)	107,464 (109,808)	—2.1	28,200 (20,697)	+7.3	148,079 (144,878)	1,185,927 (1,039,670)	17.2 (19.5)	450,529 (434,786)
TOBACCO	3	64,864 (64,099)	+1.2	51,302 (50,655)	27,840 (42,695)	16,153 (23,090)	9,282 (16,969)	—45.3	2,963 (2,930)	+1.1	18,679 (24,928)	279,713 (329,507)	18.3 (15.4)	131,911 (161,199)
TOYS AND GAMES	3	13,609 (10,516)	+29.4	10,586 (7,716)	8,882 (6,805)	4,497 (3,374)	4,317 (3,351)	+28.8	821 (761)	+7.9	6,047 (4,959)	45,616 (35,140)	23.2 (22.0)	21,963 (15,176)
TOTAL CONSUMER NON-DURABLE	200	1,588,304 (1,446,573)	+9.8	1,218,095 (1,176,377)	977,033 (1,021,135)	463,681 (473,612)	485,386 (518,020)	—6.3	187,067 (177,043)	+5.7	565,022 (579,353)	7,5[illegible]7,407 (6,276,002)	16.5 (18.7)	2,066,282 (1,818,703)
CHEMICALS	12	107,116 (92,967)	+15.2	89,163 (78,388)	78,264 (69,830)	37,593 (33,094)	40,357 (36,198)	+11.5	9,795 (9,017)	+8.6	46,713 (40,198)	300,605 (243,879)	29.7 (32.1)	125,074 (93,632)
OFFICE EQUIPMENT	5	7,385 (7,149)	+3.3	5,859 (5,770)	4,540 (5,056)	2,651 (2,685)	1,884 (2,354)	—20.8	636 (597)	+6.5	2,197 (2,670)	29,599 (19,501)	19.8 (29.6)	9,015 (6,017)
SHIPPING	3	21,136 (17,346)	+21.8	17,801 (14,343)	16,838 (12,784)	3,531 (3,098)	12,732 (9,250)	+37.6	1,320 (1,297)	+1.8	16,166 (12,247)	117,345 (94,976)	15.2 (15.1)	29,177 (24,645)
MISC. INDUSTRIAL	84	474,957 (439,567)	+8.0	364,638 (337,495)	280,426 (272,856)	144,275 (135,610)	120,857 (121,787)	—0.8	44,166 (41,195)	+7.2	180,559 (177,027)	2,481,341 (2,152,134)	14.7 (15.7)	505,012 (413,385)
TOTAL INDUSTRIALS	532	3,324,514 (3,064,202)	+8.5	2,527,106 (2,389,639)	2,046,517 (2,091,304)	1,035,777 (1,003,784)	982,712 (1,026,950)	—4.3	337,820 (320,235)	+5.5	1,297,992 (1,298,483)	14,735,259 (12,537,327)	17.1 (19.1)	4,436,137 (3,755,461)
OIL	2	1,991 (1,155)	+72.4	1,383 (745)	1,234 (708)	726 (411)	503 (291)	+72.8	132 (108)	+22.2	835 (496)	9,876 (7,230)	14.0 (10.3)	1,868 (1,276)
BANKS	2	126,824 (103,153)	+22.9	111,658 (91,064)	110,324 (90,381)	67,001 (44,389)	47,851 (41,838)	+14.4	10,669 (9,796)	+8.9	51,731 (42,499)	400,329 (373,631)	27.9 (24.4)	—693,208 (—658,497)
DISCOUNT HOUSES, MERCHANT BANKS etc.	12	34,688 (46,242)	—25.0	— (—)	— (—)	— (—)	17,860 (23,792)	—24.9	6,337 (8,358)	—24.1	— (—)	‡3,684,508 (‡4,001,771)	— (—)	—476,333 (—436,282)
HIRE PURCHASE	2	3,191 (2,224)	+43.5	2,932 (2,046)	1,038 (856)	448 (416)	570 (423)	+34.7	190 (156)	+21.8	463 (338)	17,160 (14,654)	17.1 (13.9)	—1,166 (4,074)
INSURANCE	—	— (—)	—	— (—)	— (—)	— (—)	— —	—	— (—)	—	— (—)	— (—)	— (—)	— (—)
INSURANCE BROKERS	2	9,627 (7,700)	+25.0	8,430 (6,633)	8,247 (6,486)	3,941 (3,067)	4,079 (3,263)	+25.0	1,166 (1,054)	+10.5	3,557 (2,825)	16,192 (12,781)	52.1 (51.9)	8,917 (7,439)
INVESTMENT TRUSTS	84	118,624 (112,126)	+5.8	117,109 (110,807)	88,397 (82,993)	33,774 (26,878)	52,004 (53,577)	—2.9	47,970 (44,448)	+7.9	4,605 (8,842)	1,750,251 (1,971,471)	6.7 (5.6)	148,714 (89,397)
PROPERTY	36	171,058 (153,576)	+11.4	166,832 (150,334)	13,685 (39,626)	15,484 (19,360)	—4,976 (20,034)	—124.8	12,796 (14,794)	—13.5	9,614 (7,089)	2,907,317 (3,322,034)	5.7 (4.5)	—384,875 (—136,215)
MISC. FINANCIAL	2	11,582 (15,245)	—24.0	11,345 (14,771)	2,956 (4,852)	1,669 (2,246)	953 (2,064)	—53.8	53 (—)	—	1,021 (2,405)	79,591 (88,558)	14.2 (16.7)	515 (2,439)
TOTAL FINANCIAL	140	475,594 (440,266)	+8.0	417,806 (376,654)	224,645 (225,194)	112,287 (96,356)	118,341 (144,991)	—18.4	79,180 (78,600)	+0.7	70,991 (63,998)	†5,170,840 (†5,783,129)	†8.1 (†6.5)	—1,397,44[illegible] (—1,128,615)
RUBBERS	3	931 (908)	+1.4	852 (828)	838 (826)	400 (380)	431 (445)	—3.1	272 (187)	+45.4	220 (339)	2,936 (2,917)	28.3 (28.3)	840 (146)
TEA	2	781 (354)	[illegible]	649 (289)	581 (252)	326 (94)	243 (146)	+66.4	70 (11)	+536.4	229 (190)	2,369 (2,078)	27.4 (13.9)	581 (227)
TIN	7	12,890 (10,698)	+21.4	11,504 (9,478)	11,059 (9,041)	5,774 (4,372)	5,245 (4,652)	+12.7	3,260 (3,033)	+7.5	3,131 (2,703)	30,398 (121,883)	38.1 (7.8)	3,864 (2,363)
MISCELLANEOUS MINING	3	64,418 (74,459)	—13.5	48,113 (40,767)	38,917 (38,695)	16,924 (30,184)	22,137 (21,268)	+4.1	9,661 (8,654)	+11.6	26,128 (45,699)	332,093 (311,319)	14.5 (13.1)	27,001 (29,486)
OVERSEAS TRADERS	3	65,048 (55,818)	+12.9	55,131 (49,648)	39,494 (41,560)	20,075 (19,366)	16,394 (18,384)	—10.8	3,106 (2,906)	+6.9	19,784 (30,658)	313,126 (168,382)	17.6 (29.5)	48,698 (49,909)
TOTAL COMMODITIES	18	142,098 (142,237)	—0.1	116,309 (101,005)	90,863 (87,374)	42,500 (54,426)	44,460 (44,895)	—1.0	16,369 (14,791)	+10.7	61,492 (69,589)	680,922 (606,549)	17.1 (16.6)	80,924 (82,130)

NOTES ON COMPILATION OF THE TABLE

The classification follows closely that of the Institute and Faculty of Actuaries, which has been adopted by the Stock Exchange Daily Official List.

Col. 1 gives trading profits, plus investment and other normal income property belonging to the financial year covered. The figure is struck before charging depreciation loan and other interest, directors' emoluments and other items normally shown on the profit and loss account. Excluded are all exceptional or non-recurring items such as, for example, capital profits, unless the latter arise in the ordinary transaction of business.

N.B.—Certain companies, including merchant banks, discount houses, insurance and shipping companies are exempted from disclosing the full information required under the Companies Act, 1948.

Col. 2 gives profits before interest and taxation that is to say profits after all charges, except loan and other interest, but before deducting taxation provisions and minority interests. In the case of Banks no figure can be shown because of non-disclosure (see foregoing paragraph).

Col 3 gives Pre-tax Profits that is to say profits after all charges including debenture and loan interest but before deducting taxation provision and minority interests.

Col 4 groups all corporate taxation including Dominion, Colonial and Foreign liability and future tax provisions but excludes adjustments relating to previous years.

Col 5 gives the net profits accruing on equity capital after meeting—
1. Minority interests
2. All prior charges—sinking fund payments, etc., and Preference dividends and
3. Provisions for staff and employees pensions funds where this is a standard annual charge against net revenue.

Col. 6 sets out the net cost of dividend on equity capital.

Col 7 is the capital generated internally over a year's trading. For the purposes of comparison equity earnings plus depreciation less equity dividends is the recognised method of computing this figure.

Col. 8 constitutes the total net capital employed. This is the total of net fixed assets—excluding intangibles such as goodwill—plus current assets less current liabilities except bank overdrafts.

‡ For merchant banks and discount houses a more realistic figure to quote is the balance sheet total.

Col 9 represents the net return on capital employed. Col 2 as a percentage of Col. 8 provides an indication of average profitability.

† Excluding merchants banks, discount houses, insurances, etc.

* No figures given.

Col 10 Net current assets are arrived at by the subtraction of current liabilities and provision from current assets.

APPOINTMENTS

Chairman change at George Wimpey

Mr. R. H. Gane is to relinquish the chairmanship of GEORGE WIMPEY AND CO. from February 1, for family reasons, but will remain on the Board and will also continue as chairman of George Wimpey Canada.

Mr. R. B. Smith, a managing director of the company, will become chairman in succession to Mr. Gane on March 1.

★

Mr. Kenneth H. Thompson, who joined the Group on May 1 as director of finance, has been appointed a director of the CHARTERHOUSE GROUP and financial director.

★

Mr. R. B. Polk has been appointed a director of MATHESON AND CO.

★

Mr. Norman Wood has been appointed finance director and chief accountant of ICI PHARMACEUTICALS DIVISION, from January 1. Mr. Wood has been deputy chief accountant and manager of the accounts department at ICI's Agricultural Division since 1972.

★

Mr. D. L. Gibson, managing director of Motorway Tyres and Accessories, and current president of the National Tyre Distributors Association, has been appointed to the main Board of AVON RUBBER COMPANY.

★

Mr. Bernard Scott, chairman of Lucas Industries, has been appointed president of the MOTOR INDUSTRY RESEARCH ASSOCIATION. He succeeds Sir Raymond Brookes, former chairman of GKN.

★

Mr. J. C. Williamson has been appointed a part-time member of the CIVIL AVIATION AUTHORITY from December 1 in succession to Mr. Ian MacDonald.

★

Mr. E. R. Fisher has been appointed managing director of the Lutterworth Division of ALFRED HERBERT and is to be appointed to the Board. Mr. Fisher has been with the company for 29 years.

★

Mr. F. W. Gibson has been appointed general manager of NATIONAL WESTMINSTER BANK'S management services division, succeeding Mr. W. J. Benson, who becomes assistant chief executive of the Bank. Mr. Gibson's successor as deputy general manager of the division is Mr. F. G. Reeve, Hyde Park area manager.

★

Dr. John R. McPhee has been made director of planning and services of the INTERNATIONAL WOOL SECRETARIAT. Dr. McPhee, who is at present director of research and development, will take up his new appointment in April or May next year. He has been head of the IWS technical centre at Ilkley since its opening in 1968. Dr. Kenneth Baird, a wool scientist with the Commonwealth Scientific and Industrial Research Organisation, Australia, will succeed Dr. McPhee as director of research and development.

★

BRITISH LEYLAND has formed a new Board of management for the Nuffield Press, which produces technical publications, colour brochures and sales promotion material, and is a member of the Leylands Special Products Group. The new Board consists of Mr. J. D. Abell (chairman), Mr. J. J. Field (managing), Mr. A. J. Blake, Mr. E. Heath, Mr. B. J. Smith and Mr. S. Speight.

★

Mr. D. A. S. Little has been appointed managing director, Mr. W. L. Nelson, marketing director, and Mr. A. M. Scott (technical director) of WALLOP INDUSTRIES. The Shaw Porter family remain as majority shareholders in the company. Mr. R. K. Shaw Porter is the new chairman in place of Mr. B. Shaw Porter, a founder member, who has retired.

★

Mr. Norman Walker, formerly director of NCR retail division, has joined the Board of NORFROND. He has also become managing director of Norfrond (Southern).

★

Mr. A. Rosenzweig of N. M. Rothschild and Sons, has been co-opted to the Board of BANK LEUMI (U.K.).

★

Mr. P. R. S. Johnson has been appointed managing director of JOHNSON GROUP CLEANERS PROPERTIES in succession to Mr. J. L. Crockatt who remains chairman.

★

Mr. J. Francis Shearer, a senior partner in Coopers and Lybrand, has become the first English president of the UNION EUROPEENE DES EXPERTS COMPTABLES ECONOMIQUES ET FINANCIERS, which represents the national accountancy professions of Western Europe. His term of office will be for one year and he succeeds Mr. Carl H. Witt, of Sweden.

★

Mr. George P. Bisbas, a director of N. J. Goulandris (Agencies), has been elected a director of the U.K. FREIGHT DEMURRAGE AND DEFENCE ASSOCIATION managed by Thos. R. Miller and Son.

★

Mr. Roger Foden and Mr. Richard Cave have been appointed directors of TATE AND LYLE from January 1. Mr. Foden joined Tate and Lyle in 1951 and was appointed group economist in 1963. He has combined this role with that of company secretary since 1968. Mr. Cave, who will be a non-executive director, is executive chairman of Smiths Industries and a director of Thomas Tilling, Equity and Law, and Tunnel Holdings. Also from the beginning of next year Mr. J. E. Hobbs retires from the Board of Tate and Lyle. Mr. J. E. Wright will succeed Mr. Foden as company secretary.

McLEOD RUSSEL

"Record trading results"

reports Sir John Brown, the Chairman.

* Pre-tax profits for the year to 31st March 1975 amounted to £2,424,756 against a forecast of £2,493,000 made in May. The profit attributable to ordinary shareholders amounted to £578,068 and earnings per share were 26.37p against 18.16p last year. A net dividend of 5.8694%—the maximum permitted—is recommended.
* The overall increase in crops at the Group's tea estates in North-East India amounted to 923,008 kgs or 6·16%; but the substantial increase in prices realised for our teas was of much greater significance in achieving these record trading results.
* During the past year we have been making plans for the flotation of a company incorporating our remaining seven subsidiaries operating in India which we hope will receive Indian Government approval shortly. Future income would therefore consist of dividends, with outstanding loan account balances being repatriated to the U.K. within a reasonable period.
* It was announced on October 17th that discussions were taking place between James Finlay & Co. Limited and ourselves regarding a possible rationalisation of our investments in the Finlay Tea Associates and I hope there may be a further joint announcement before our annual meeting in December.
* Crops from the Group's estates in India to the 30th September 1975 are marginally less than last year but continuing satisfactory price levels should counteract increased costs. Taking all factors into account, and having regard to the amount of tea already sold, the Board feel they can look forward with some confidence to a satisfactory profit for the year.

COMPARATIVE RESULTS	1975	1974
Profit before taxation	£2,424,756	£1,124,809
Profit after taxation	£661,089	£406,051
Proposed ordinary dividend (5.8694% net)	£128,651	£120,555
Profits retained	£449,417	£277,439
Earnings per ordinary share	26.37p	18.16p

Copies of the Report and Accounts are available from the Secretary, McLeod Russel & Co. Limited, Victoria House, Vernon Place, London WC1B 4DH.

OVERSEAS MARKETS

Non-Bahamians face new taxes

NASSAU, Nov. 27.

THE BAHAMAS Government plans to make $10m. in new taxes in 1976, mostly from non-Bahamian property holders and non-Bahamian-owned companies registered here.

More than half the new revenue is needed for the newly-created Ministry of Defence, which will include an expanded police marine division and a "People's Defence Force."

The Finance Minister, Mr. Arthur Hanna, said in his Budget address yesterday that stamp duty on property transactions will be increased and in one case for non-Bahamian purchasers or companies with less than 60 per cent. Bahamian ownership — doubled.

In the absence of any form of profits tax, insurance companies will be required to pay 1 per cent. of their gross premiums to the Treasury. Annual company fees for companies not 60 per cent. owned by Bahmians will be increased from $250 to $1,000, and annual immigration work permit fees raised to a maximum of $5,000, depending on job category.

A tax will be introduced on underdeveloped land owned by non-Bahamians and non Bahamian companies both in Nassau and the outer islands, as well as non-Bahamians and non-Bahamian companies owning developed land in the outer islands.

The Government, which is a signatory to the Lome Convention, has further decided, as a means of maintaining Customs revenue, to eliminate the Commonwealth preferential tariff rather than extend it to non-Commonwealth members of the EEC.

All U.S. markets were closed yesterday—Thanksgiving Day.

OTHER MARKETS

Canadian Stock Markets rise

Canadian Stock Markets were mostly higher in moderate trading yesterday.

The Industrial Share Index moved up 0.47 to 178.60, Base Metals 0.24 to 73.45, Western Oils 1.88 to 208.13, Utilities 1.68 to 128.55 and Papers 0.70 to 99.74. But Golds gave way 2.68 to 240.82 and Banks eased 0.02 to 263.88.

Cominco rose $1 to $34½ but Nyanda Mines "A" lost $⅜ to $3½. Bow Valley Industries gained $⅛ to $16 and Hiram-Walker-Gooderham and Worts put on $½ to $30½, but Banister Continental were off $¼ to $6.

Brascan rose $⅜ to $11¼—it indirectly purchased an interest in Western Mines. Interprovincial Pipe Line gained $⅜ to $12⅜ and Dylex "A" improved $⅛ to $7⅞.

PARIS—French shares continued to advance in active trading, reflecting the lowering of the Call Money rate by ¼ per cent. to 6⅜ per cent.

Best-traded shares were Metals, Electricals and Stores.

The Foreign sector also did well, although Canadians eased. International Oils were better and Gold Mines put on fractions.

BRUSSELS—Higher in moderate active trading.

Foreign sectors were firmer. But Gold Mines eased in line with the London fixing.

AMSTERDAM—Market extended recent gains, aided by the firmer dollar, although the rise was checked by profit-taking.

KSH were lifted Fls.10 to 55, although it declined to comment on Bourse rumours of a bid from Corn Products.

State Loans were slightly firmer.

SWITZERLAND—Markets continued slightly firmer in livelier trading.

Major Banks gained ground. Insurances generally moved higher and Industrials rose on selective demand.

State Bonds were very steady in moderate turnover.

Dollar stocks firmed slightly in an active turnover, Dutch Internationals were very steady. German equities rose.

OSLO—Banks eased slightly, while Insurances, Industrials and Shippings were quiet.

VIENNA—Easier in light trading. Insurances were irregular, while Breweries were quietly steady.

COPENHAGEN—Mixed in active dealings. Banks were steady, while Shippings were little changed.

MILAN—Prices rose sharply in heavy trading.

Foods led the rise, attributed to optimistic forecasts about the Italian economic recovery by Gianni Agnelli, president of Fiat and of the Italian Manufacturers' Association.

The decision of British Leyland to close down and liquidate Leyland-Innocenti, employing 4,500 workers, had no apparent effects on the market.

GERMANY—Markets rose on good buying from German and Foreign Institutions.

Stores and Metals were particularly sought, with Mannesmann adding DM7 at 302.5, although Metallgesellschaft further declined DM5 to 245 on its results.

Chemicals were firm, with Bayer up DM0.50 to 128, despite its warning of a lower dividend.

Banks were strong, with Dresdner up DM5 to 261.

Bonds were narrowly mixed in quiet trading. Mark Foreign Loans were slightly firmer.

HONG KONG—Mixed in light trading.

Hong Kong Land were up 5 cents to $HK6.15, Jardine 10 cents to 21.80 and Hong Kong Kowloon Wharf 10 cents to 11.80.

TOKYO—Actively higher following reports that New York would get new Federal loans. Volume 250m. (170m.) shares.

Industrial Plants, Cameras and Electricals led the rise, with Chiyoda Chemical Engineering up Y23 to 513 and Olympus Y22 to 822.

Honda Motor rose Y18 to 617 on higher export sales to the U.S.

Electric Powers responded to favourable results.

But Textiles eased, discouraged by a business failure of a medium standing Textile Spinning firm.

Constructions also eased on profit-taking.

Japan Gasoline advanced sharply on reports that it is negotiating construction of a $US300m. gas recycling plant with the Algerian Government.

Hokkaido Colliery declined on reports that one of its mines had a gas explosion.

AUSTRALIA—Markets were decidedly firmer, following polls showing a marked swing in favour of the Liberal National-Country Party ahead of the forthcoming General Election.

Minings, Industrials, Bankings and Consumers moved higher in the afternoon after a lacklustre morning session.

Uraniums, however, continued lower, with Pancontinental 10 cents off at $A9.10.

Coals were firm.

JOHANNESBURG—Gold shares were easier on the lower bullion price.

Financial minings were lower. Associated Ore gained R1 to R14.30.

Coppers traded at previous levels, Platinums were easier, while other Metals were firmer.

Industrials were firmer in active trading.

Indices

NEW YORK

DOW JONES AVERAGES

Close	Home Bonds	Transport	Indus.†	Util.	Trading volume 000s
Nov. 26	68.65	169.00	858.55	85.17	16,760
25	68.70	168.84	856.40	83.06	17,490
24	68.67	169.65	846.64	82.29	13,950
21	68.79	170.60	840.76	82.66	14,110
20	68.86	171.15	843.51	82.66	16,360
19	68.70	172.03	848.24	82.69	16,820
18	68.85	174.45	865.24	83.37	20,760
17	68.83	174.57	856.66	83.68	17,660
14	68.75	173.43	853.67	83.56	16,420
13	68.73	173.83	851.23	83.40	26,070
12	68.53	173.22	852.25	83.08	23,960
11	68.51	170.03	838.65	82.57	14,640
10	68.60	169.62	835.42	82.57	14,910
7	68.63	169.99	836.80	82.75	15,960
6	68.67	169.56	840.32	82.59	15,600
5	68.60	168.13	836.27	82.66	17,390
4	68.56	167.81	830.13	82.44	11,570
1975 High	69.32 (4/4)	174.45 (18/11)	881.81 (15/7)	87.07 (24/6)	—
Low	66.16 (3/1)	146.47 (2/1)	632.04 (2/1)	72.02 (2/1)	—
All-time High	—	279.88 (7/2/69)	1051.70 (11/1/73)	165.32 (20/4/65)	—
Low	—	13.23 (8/7/32)	41.22 (8/7/32)	10.58 (28/4/42)	—

† Excluding bonds.

IND. DIVIDEND YIELD p.c.

Nov. 21	Nov. 17	Nov. 22 1974
4.49	4.43	6.16

N.Y. SE ALL COMMON INDEX

December 31, 1965=50.

1975 High	1975 Low	Nov26	Nov25	Nov24	Nov21	Nov20
51.24 (15/7)	37.06 (2/1)	48.09	47.95	47.47	47.58	47.45

RISES AND FALLS

	Issues traded	Up	Down	Unchanged
	1,82?	796	586	440

	Nov26	Nov25	Nov24	Nov21	Nov20
New Highs	52	48	26	26	21
" Lows	12	12	20	13	13

AMERICAN SE MARKET VALUE INDEX

Starting base 100 Aug. 31, 1973.

1975 High	1975 Low	Nov26	Nov25	Nov24	Nov21	Nov20
56.80 (15/7)	62.? (2/1)	85.44	85.15	84.61	84.67	84.52
Volume (000s)		1,610	1,590	1,480	1,590	1,520

STANDARD AND POORS U.S. STOCK INDICES

	*Industrials	†Composite
Nov. 26	101.85	90.94
25	101.57	90.71
24	100.40	89.70
21	100.22	89.53
20	100.36	89.64
19	100.73	89.98
18	101.90	91.00
17	102.42	91.46
14	101.88	90.97
13	101.99	91.04
1975 High	107.40 (15/7)	96.91 (15/7)
1975 Low	77.71 (8/1)	70.74 (8/1)

* 425 Industrials. † 425 Industrials, 50 Utilities, 25 Rails.

STOCK AND BOND YIELDS

	Nov. 20 1975	Nov. 12 1975	Nov. 13 1974
Ind. Ord. yield pc	3.73	3.68	4.62
Ind. Ord. p e ratio	11.84	12.02	8.46
Long-term Govt. Bds. per cent.	8.14	8.07	6.56

WEDNESDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Southern Co.	533,100	14⅞	—
Pub. Sv. Colo.	245,700	15¼	—
Nor. States Power	215,300	26⅞	— ⅛
Weyerhauser	175,400	36	— ⅜
Westinghouse Elec.	163,800	12⅞	+ ½
Carlock	131,600	35⅞	+4⅝
Xerox	150,600	51⅛	— ⅛
Texaco	148,400	23⅞	+ ⅛
RCA	143,200	19⅞	+ ⅛
Gen. Pub. Utilities	139,900	16⅜	— ⅛

TORONTO

INDUSTRIAL INDEX

Nov. 27	Nov. 26	1975 High	1975 Low
178.60	178.13	196.50 (15/7)	159.41 (2/1)

MONTREAL

INDUSTRIAL INDEX

Nov. 27	Nov. 26	1975 High	1975 Low
183.38	182.99	205.61 (15/7)	159.95 (3/1)

COMBINED INDEX

Nov. 27	Nov. 26	1975 High	1975 Low
180.73	180.13	198.60 (12/7)	159.05 (2/1)

JOHANNESBURG

	Nov. 27	Nov. 26	1975 High	1975 Low
Industrials	212.0	212.5	228.9 (16/7)	183.2 (23/1)
Gold	219	225.0	379.1 (2/1)	203.9 (10/9)

(1958=100.) Source: Rand Daily Mail.

MELBOURNE YIELDS

Av'ge yield on 50 Leading Stocks	Nov. 27	Nov. 21	Nov. 17
On Dividends	6.34	6.49	6.45
On Earnings	10.54	10.83	11.43

SYDNEY ALL ORD. INDEX

Nov. 27	Nov. 26	High 1975	Low 1975
419.09	414.68	422.40 (14/10)	298.88 (9/1)

TOKYO NEW SE INDEX

Base=100 January 4, 1968.

Nov. 27	Nov. 26	High 1975	Low 1975
317.25	316.18	333.11 (2/7)	263.34 (10/1)

HONG KONG INDEX ⊕

Nov. 27	Nov. 26	High 1975	Low 1975
313.66	313.30	341.57 (9/6)	160.42 (9/1)

SINGAPORE INDEX §

Nov. 27	Nov. 26	High 1975	Low 1975
227.53	227.91	268.69 (11/3)	155.26 (3/1)

EUROPE

	Nov. 27	Previous	1975 High	1975 Low
Belg'm (a)	104.69	103.16	111.81 (15/5)	89.01 (2/1)
Denm'k (b)	99.50	99.36	99.56 (26/11)	73.0 (13/1)
France (d)	69.0	67.6	72.6 (25/4)	51.70 (2/1)
Germ'y (e)	760.4	758.3	760.4 (27/11)	573.3 (2/1)
Holland (f)	97.5	96.3	107.6 (6/5)	85.2 (2/10)
Italy (g)	82.51	80.75	109.86 (31/3)	76.41 (17/1)
Spain (h)	—	106.95	110.96 (22/4)	91.87 (19/9)
Sweden (k)	391.90	390.62	409.81 (12/11)	310.56 (8/1)
Switz'rl'd (m)	273.6	269.5	295.1 (6/5)	30?.? (2/1)

Indices and base dates (all base values 100):— (a) Belgian S.E. 31/12/63. (b) Copenhagen S.E. 1/1/73. (d) Paris Bourse 1961. (e) Commerzbank December 1953. (f) Amsterdam Industrial 1970. (g) Milan 2/1/73. (h) Madrid S.E. 31/12/74. (k) Stockholm Industrial 1/1/56. (m) Swiss Bank Corp. 31/12/58. (u) Unavailable. ⊕ Hang Seng Bank 31/7/64. § Straits Times 1966. (c) Closed. † Adjusted.

OVERSEAS SHARE INFORMATION

Investment premium based on $2.60 per £1—111% (110¾%)

NEW YORK — CANADA — GERMANY — MILAN — AUSTRALIA — JOHANNESBURG — PARIS — BRUSSELS/LUXEMBOURG — TOKYO — AMSTERDAM — SWITZERLAND — STOCKHOLM — COPENHAGEN — VIENNA — OSLO — SPAIN

GERMANY

Nov. 27	Price Dm.	+ or —	Div. %	Yld. %
A.E.G.	88	—0.6	—	—
Allianz Versich.	478.5	—3.5	17	1.9
B.M.W.	249.7	+3.7	14	2.7
BASF	151.8	+1.6	17	—
Bayer	128	+0.5	17	6.2
Bayer Hypo	325	+5	13	2.8
Bayer Vereinsbk	347	+3	18	2.5
Commerzbank	216.8	+1.6	18	4.2

MILAN

Nov. 27	Price Lire	+ or —	Div. Lire	Yld. %
Alitalia Priv.	800	+24	—	—
ANIC	747	+17	60	8.1
Ausonia Ass.	3,950	+2	130	3.2
Bastogi	1,203	+51	70	6.0
Breda	2,500	+6	150	6.0
Burgo	11,070	+150	200	1.7
Cantoni	7,370	+250	200	2.8
CIGA	1,280	+32	—	—
Cucurini	4,120	+50	250	6.1

AUSTRALIA

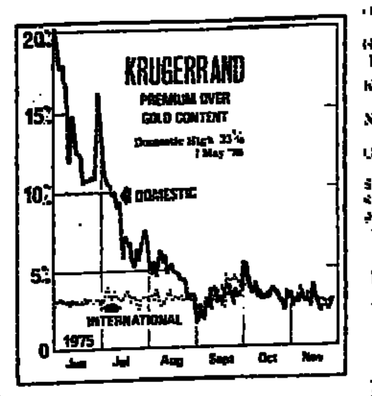
Nov. 27	Aust. $	+ or —
Acrow Australia	†0.72	......
Adelaide Brighton Cem 50c	†0.98	......
Allied Mfg. Trdg. IndusS1	†1.76	......
Ampol Exploration	†0.60	......
Ampol Petroleum	†0.58	+1.08
Assoc. Minerals	†2.63	—0.10
Assoc. Pulp Paper $1	†0.82	—0.01
Aust. Con Industries	†1.50	+0.05
Aust. Foundation Invest	†0.62	—0.01

Pound weaker

Sterling fell to its lowest closing level ever against the U.S. dollar in the foreign exchange market yesterday and also touched its lowest level against major currencies in general during the morning. The weakness of the pound was mainly because of the sharp upward trend of the dollar, which also gained ground against the other major European currencies. The U.S. unit was helped by President Ford's decision to provide Federal aid for New York City, but the level of business was subdued by closure of the New York market for the Thanksgiving Day holiday. The calculation for the dollar's depreciation since the Washington Currency Agreement was not available, but the dollar improved to DM2.62 against the West German mark, from DM2.6145 previously, and to Fl.2.6840 from Fl.2.6790 in terms of the Dutch guilder.

The pound closed at $2.0285-$2.0295, a loss of 35 points on the day. It opened at $2.0325-2.0335 and the lowest point touched was 2.0280-2.0290. Sterling's trade-weighted average depreciation since the Washington Currency Agreement, as calculated by the Bank of England, widened to 29.9 per cent. in early dealings, but improved to 29.8 per cent. at noon, and closed at 29.8 per cent., unchanged on the day.

Gold was fixed at its lowest level for seven weeks during the afternoon at $139, and closed at $138¾-139¼, a fall of $1½ on the day. Business was fairly quiet, but the metal tended to be depressed by the strength of the dollar following the proposals to save New York from financial default. The kruggerand finished at $142-$144 (£70-£71) in the domestic and international markets and the coin's premium over its gold content widened slightly to 3.06 per cent.



SPECIAL DRAWING RIGHT RATES

One SDR is equal to	Nov. 26	Nov. 25
Sterling	0.577436	0.577025
U.S. dollar	1.17459	1.17632
Belgian franc	46.1829	46.1000
Deutsche mark	3.06645	3.06078
French franc	5.21263	5.20580
Italian lira	801.815	801.456
Japanese yen	355.840	356.425
Dutch guilder	3.14678	3.14195
Swedish krone	5.16790	5.14816

Values are for currencies against the SDR as calculated by the International Monetary Fund in Washington.

EXCHANGE CROSS-RATES

Nov. 27	Frankfurt	New York	Paris	Brussels	London	A'sterdam	Zurich
Frankf'rt	—	2.618 613	58.80 90	6.64-65	5.309-319	97.47-67	97 33 89
N. York*	38 30-32	—	22.61-63	2.540-545	2.0510-0529	37.32-34	37.45-47
Paris	169.93 170.0	4.4407-4507	—	11.27¾ 30¼	9.016-.405	5.625 790	166.30 60
Brussels	15.04.07	39.37 40	8.75-87	—	79.94-80.07	14.67 70	14.72 76
London	5.31½-32½	2.0235 95	9.24-05½	79.90 80.10	—	5.44¼-45¼	5.42¼-43¼
Am'erdam	102.55-60	2.6812 37	40.356 536	6.8085-8135	5.4465 4515	—	100.375 425
Zurich	102.10 22	2.6740 55	60.10-16	6.73 79	5.4265 4500	99.59 67	—

U.S. $ in Montreal. U.S. $=101.06-08. Canadian cents
Canadian $ in New York $ C=98.84-86 U.S. cents. U.S. $ in Milan 683.40
Sterling in Milan 1388.45. *Rates for Nov. 26.

EURO-CURRENCY INTEREST RATES*

Nov. 27 1975	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	W. German mark	Swiss franc
†Short term	11¾-12⅛	5⅛-6⅜	7¼-8¼	5¼-5½	2½ 5	1⅜-1⅝
7 days' notice	11⅝-12⅛	6⅛-5⅝	8¼-9¼	5¼-5½	3-3¼	1⅝-1⅝
Month	11¾-12⅛	6⅝-6⅞	10⅛-10½	5¼-5⅞	4 4⅛	4 4
Three months	11⅝-12	6¾-7¼	9⅞-10⅛	5 5⅝	4⅛-4¼	3 4
Six months	12 -12⅜	7⅝-7⅞	9¾-10	5⅝-5⅞	4 4	4⅛ 4¼
One year	12¼-12⅝	7⅞-8⅜	9⅞-10⅛	6-6¼	5⅜-5½	4¾-4⅞

Euro-French deposit rate short-term 6¼-6⅝ per cent.; seven days' notice 6¼-6⅝ per cent.; one month 8¼-8⅝ per cent.; three months 7½-7⅞ per cent.; six months 8-8½ per cent.; one year 8¼-8⅝ per cent.

Longer-term Eurodollar deposit: two years 8¼-8¾ per cent.; three years 9-9¼ per cent.; four years 9¼-9½ per cent.; five years 9¼-9⅝ per cent.

The following nominal rates were quoted for London dollar certificates of deposit: one month 6¼-6⅝ per cent.; three months 6[9/16]-6[11/16] per cent.; six months 7[5/16]-7[7/16] per cent.; one year 7½-7¾ per cent.

* Rates are nominal closing rates.

† Short-term rates are call for sterling, U.S. dollars and Canadian dollars, and two days' notice for guilders and Swiss francs.

GOLD MARKET

FOREIGN EXCHANGES

OTHER MARKETS

FORWARD RATES

FARMING AND RAW MATERIALS

EEC fish guide price may rise

By Robin Reeves

BRUSSELS, Nov. 26.

[I]NCREASES in EEC fish guide [pr]ices ranging from 2 per cent. [fo]r sardines to 30 per cent. for [sh]rimps have been proposed by [th]e European Commission. If [ac]cepted by the Council of [M]inisters, they will come into [eff]ect on January 1, 1975.

The Commission argues that [th]e increases should not have [an]y direct effect on consumer [pr]ices since the lowest market [le]vels are already generally [hi]gher than the withdrawal [pr]ice.

The new prices are set taking [in]to account the mean of the [pr]evious three fishing seasons, [th]e general development of pro[du]ction costs, the effect of the [gu]ide price on the level of the [wi]thdrawal price and the type of [cat]ch—whether it is processing or [dir]ect human consumption.

U.S.-Polish grain deal

WARSAW, Nov. 27.

[TH]E U.S. and Poland have [rea]ched a long-term agreement [for] the sale of American grain to [Po]land, reports UPI.

Under the agreement reached [by] U.S. Agriculture Minister [Ea]rl Butz and his Polish counter[par]t, Kazimierz Barcikowski, [Po]land will purchase 2.5m. tons [of] grain annually for at least the [nex]t five years.

A joint Polish American Press [rel]ease said these figures can [var]y plus or minus 20 per cent.

Negotiations for a grain agree[me]nt had started in September [wh]en Mr. Barcikowski visited the [U.S.]

In a joint statement, Mr. Butz [and] Mr. Barcikowski said the [und]erstanding they had reached [wil]l facilitate the stabilisation [and] continued growth of agricul[tur]al trade between the two [cou]ntries.

Mr. Butz is scheduled to leave London to-morrow after three [day]s in Poland.

[E]THIOPIA COFFEE [E]XPORT PLANS

[E]thiopia will export 75,000 tons [of] coffee this year, valued, at [cur]rent prices, at about $100m., [Mr.] Hailu Tefera, acting general [ma]nager of the Ethiopian Coffee [Pro]duction and Processing [Age]ncy. Total exportable surplus [fro]m coffee-growing regions [cou]ld be 95,000 tons, an increase [of] 12,000 tons over last year.

The agency is urging the public [to d]rink less coffee so that more [is] available for export and to [ear]n much-needed foreign [exc]hange.

Forecast of steady rise in U.K. meat price

BY RICHARD MOONEY

A STEADILY RISING trend in meat prices over the next four months culminating in a sudden rise in beef prices in April was forecast yesterday by Mr. Colin Cullimore, vice chairman of the Meat Promotion Executive (MPE) and managing director of the Dewhurst butchery chain.

Commenting on an MPE statement which said that a lower rate of slaughtering in December would probably continue through the first quarter of 1976, Mr. Cullimore said by the end of March beef prices may have risen 11p-12p a pound on average with topside going up to 94p-100p from the current level of about 78p a pound.

The statement said first quarter 1976 beef production could be 10 to 15 per cent. down on the January-March period this year. The trade hopes to avoid a sudden increase in prices such as occurred in 1973 and will attempt to spread the increases evenly over the whole period. "What the prices are will depend more on what the housewife has to spend than on the amount of meat available," Mr. Cullimore said.

Latest indications are for a 10 per cent. cut in home production of all red meat in the first three months of next year compared with this year. Overall meat imports are also likely to decline but beef exports, currently around 3,000 tons a week, are expected to rise.

In this situation the MPE sees its role as a provider of information to help housewives make the best use of the various cuts of meat as they become available and to this end is planning low-key educational spring promotion—in sharp contrast to the hard sell "have a bigger bit" advertising campaign it launched this summer.

Bacon prices, currently at record levels, will be unchanged next week but in its weekly report DBC (Imports) which ships Danish Bacon to the U.K. yesterday hinted at signs of a weakening in market. "Although the Danish arrivals remain on allocation it is, nevertheless, clear from the estimated arrivals that additional supplies will be available to the trade during the coming weeks," the report said, adding: "Other nationalities, however, have not found the same improvement in the forward demand indicating a slower offtake during the coming weeks."

When the first-hand Danish bacon price was raised to £955 a ton two weeks ago some trade sources suggested the £25 increase was excessive in view of the precarious state of consumer demand. Other nationalities, despite having kept their prices in line with the Danes' for two months, did not follow the rise in full. December is normally a time of strong demand for bacon but with prices standing at record levels and consumer spending running at a low level, traders are keeping a nervous eye on the market.

New egg price rises have been announced by Britain's two leading distributors, Goldenlay and J. B. Eastwood. From next week both companies will raise their prices for all sizes of eggs by 3p a dozen. The rise will take large white eggs up to 43-44p a dozen and standard whites to 40-42p.

This is traditionally a time of buoyancy for egg prices but this year the rise has come later and is smaller than usual. Market opinion differs on the likelihood of a further price rise before Christmas but most traders are agreed that significant price cuts are likely in the new year.

World coffee pact welcomed but 'this only first phase'

BY OUR COMMODITIES STAFF

THE NEW International Coffee Agreement should prove fair to consumers and remunerative to producers, according to the acting head of the U.S. delegation, Mr. George Thigpen, reports Reuter.

By the end of this round of talks "we will have done something entirely new in the history of international commodity agreements. We will have explicitly recognised that this new Coffee Agreement must be a truly co-operative venture and not just an arrangement for providing some price protection for producers in a world of surpluses," he said.

Arduous process

The interests of consumers had been taken into account and producers had recognised that in the present situation of tight world supplies the free market will initially prevail, Mr. Thigpen added.

However, despite the new understanding between producers and consumers, Mr. Thigpen warned that the present negotiations were only the first phase since the ratification process might prove equally arduous in obtaining Congress approval.

The agreement starts next October with no quotas in effect. Automatic mechanisms have been developed for triggering quotas when prices drop, and for suspending them if there are precipitous price rises.

The system takes into account export performance. If a producers' exports improve during the first year or two of the agreement this will be reflected in the fixed portion of its export entitlements.

London coffee sources pointed out that the final details of the proposed agreement still had to be finalised at the plenary session of the Coffee Council to-day. There is some confusion over the "floor" price level at which quotas would be triggered.

One trigger is the average of the Robustas and Other Milds price this year, which is likely to be in the region of 63 cents a pound. But there is also provision for a second mechanism of composite of Brazilian and Colombian prices to be taken into account if they fall 15 per cent. below preceding levels, leaving considerable scope for interpretation and manipulation. The general impression is that Brazil has achieved its main objectives in the negotiations, although consumers do not view the proposed pact as either bullish or bearish.

Temptation

It is admitted, however, that some producers might be tempted to hold back current supplies from the market in order to ensure they ship the maximum quantity in the first year of the new agreement, from next October, on which future variable quotas could well be based.

Commodity centre plan for London

By John Edwards

A PANEL of experts to look into the prospects for forming a world commodities centre in London has been appointed by an all-party Parliamentary group. Members of the panel include Mr. F. F. Wolff, chairman of the British Federation of Commodity Associations; Mr. P. G. Smith, chairman of the London Metal Exchange Board; Mr. H. W. Allen, chairman of the International Tin Council; Mr. E. Jones-Parry of the International Sugar Organisation; Mr. R. L. Stubbs, Zinc and Lead Development Associations; Mr. U. K. Hackman, International Cocoa Organisation; Mr. R. Clay of Rio Tinto Zinc, and Lord Wade and Lord Seebohm of the House of Lords.

Mr. Allen, chairman of the Tin Council, in a speech to the Group pointed out that London was a centre of commodity trade, finance, shipping and insurance.

He suggested that it would make more sense for the new producer groups or commodity organisations planned to be established internationally to have their headquarters in the same city rather than being scattered throughout the world.

The centralisation of commodity organisations would provide the basis for establishment of world information on raw materials, and other services required including statistics and central interpreting and translating organisations. In addition they would be in closer touch to the London metal and "soft" commodity markets.

FAO votes for higher budget

ROME, Nov. 27.

THE UN Food and Agriculture Organisation (FAO) has voted unanimously for a 50 per cent. increase in its budget for 1976 and 1977.

The net budget for the two-year period was fixed at $167m. by FAO's governing conference, which ends here to-day.

Informed sources said the U.S., which pays 25 per cent. of FAO's costs, had earlier fought the proposed increases in the conference commission which presented the budget report.

But the U.S. was among the 88 nations who unanimously passed the proposals in plenary session to-day. The increases are necessary in order to extend FAO's agriculture development programmes in third world countries as the essential first step towards solving the world food crisis.

Reuter

SCOTTISH BEEF

Calves threat to future supplies

BY A CORRESPONDENT

SELLERS OF suckled calves are pleased with to-day's prices, only because they are so much higher than the abysmally low ones of last year. When they add up their costs at the end of the year they will find that they have not enough to meet them.

This is the view of Mr. Robin Malcolm, convenor of the Scottish National Farmers Union Highlands and Islands Committee, who says that this year's crop of beef calves has been sold at less than the cost of production. This fact, coming after the disastrous sales of last year, showed that future supplies must be in jeopardy.

Scotland has about 800,000 cows, 500,000 of which are kept for specialist beef production (producing only one calf a year). Most of them are kept on upland farms, adjacent to the mountain regions, which usually carry about 70 beef cows and 300 ewes. They generally earn 60-70 per cent. of their income from cattle.

Higher up the mountain, sheep become predominant; a typical hill farm might carry 700-800 blackface ewes and 20-30 beef cows, earning 60-70 per cent. of its income from sheep.

Income earned by the cow comes essentially from the sale of its calf, but most suckler herdsmen qualify for hill cow subsidies of up to £29.50 per cow and enhanced rates of grants on capital expenditure.

Until 1974, Exchequer support to these farms was running at about 40-50 per cent. of net farm income. Figures for 1974-75 are not yet available, but last year's poor calf sales must have made Government support virtually all of net income.

The climate, altitude and location of these upland farms rule out alternative farm enterprises. They must produce store stock for finishing on the more favoured low ground farms.

They must sell it seasonally, in the autumn, to lighten the burden of providing expensive winter fodder. And, like a fishing fleet landing its catch, they must sell it at the price it will fetch.

Demand for their calves is obviously derived from the demand for fat cattle, together with the costs of fattening, and the discounting factor used by buyers who feel uncertain about future markets for their produce. Last year's calf sellers had the disadvantages of their marketing situation cruelly demonstrated to them. This year they do not appear to have come off much better.

Autumn glut

The market has been extremely discriminating, both for quality and weight. Buyers were looking for well-bred calves to grow and fatten with minimum feed costs—and within a year of purchase. They would thus fatten, at the latest, off summer grass and before the autumn glut of supplies.

Consequently, well-produced animals of over 5½ cwts sold at a premium. Uncertainty about the country's economic prospects was undoubtedly a factor influencing the heavy discounting of the value of younger animals.

There were considerable variations in market prices, heavier yearling calves selling at prices of up to £170, and the youngest, lightest ones going for as little as £40. It is indeed a time of the survival of the fittest.

One must never underestimate the ability of the small farmer to tighten his belt and subsist through a difficult period. But so many who never used to borrow significantly did so during the short, euphoric period when everything seemed to be going right for beef production.

Overheads have been fixed, which are already causing severe difficulties for many producers. They find themsleves trying to deal with cash flow problems which are quite outside their experience.

Just what it costs to produce a suckler calf is a matter of some controversy, since recent estimates have varied from £135 to £170 per calf sold. After attending many sales this year, I would estimate that average receipts must be in the region of £105-115 per head—well below the most optimistic estimate of the cost of production.

Last year's prices were in the region of £75. With a 50 per cent. increase in receipts, sellers are obviously relieved, if not wholly satisfied. But many of these men are not the best of cost accountants.

The highest estimate of the cost of production, made for next year's calf crop, came from the School of Agriculture, Aberdeen. Mr. Malcolm Fyfe, senior agricultural economist, estimated that a beef specialist, producing spring born suckled calves from a 100-cow herd, would need £170 to produce a 4½-cwt. animal. This is in addition to the receipt of over £30 per cow in Government headage subsidies.

Including cow and calf subsidies Mr. Fyfe's figures suggest a cost of production of £47 per cwt for the young calf. Comparing this with the present market price for fat cattle of about £22 per cwt, one may well wonder about prospects for the continuing supply of Scotch beef calves.

The main cause for optimism about the maintenance of supplies is the lack of alternative enterprises in these beautiful, yet barren, areas of Scotland. Trees are the final alternative to cattle and sheep. But to a farmer, indeed, to all those who love the wide open spaces, this is no alternative at all.

New formula for tied cottages

BY JOHN CHERRINGTON

THE GRUBB INSTITUTE, which studies social problems, has put forward its own formula for the tied cottage problem in agriculture.

Basically it sees that the main difficulty in the tied cottage is that the farmer, the employer, is also the landlord of the worker and that the aim of any policy should be to remove this stress without harming agricultural production or costing the taxpayer too much.

The Institute's proposed solution is that an Agricultural Housing Agency would in effect take over the ownership of all agricultural tied houses and use them to house existing workers, their widows and dependents and themselves when retired staff. Workers actually leaving the farming industry would have to be rehoused by a local authority on a quota basis.

The nub of the scheme is that farmers would have to transfer the "occupancy rights" of their tied cottages to the proposed agency. The transfer might be based on a form of lease, on the creation of a trusteeship, or on the appointment of a legally empowered agent.

COMMODITY MARKET REPORTS AND PRICES

[B]ASE METALS

[CO]PPER—Lower on balance on the [Lond]on Metal Exchange. In a market [some]what subdued by the closure of [Com]ex yesterday for the Thanksgiving holiday, prices opened on a steady reflecting the overnight firmness of U.S. market coupled with moderate consumer demand. Hedge selling lack of follow through then turned [pric]es easier but losses were pared by fresh weakness of sterling against dollar. Turnover 18,975 tonnes.

Amalgamated Metal Corporation reported that in the morning cash wirebars traded at £566, 66.5, 67, 66.5, three months £587, 87.5, 87. Cathodes cash £553, three months £574, 73.5, 73. Kerb: Bars: Three months £586, 85.5, 85. Cathodes: Three months £573. Afternoon: Wirebars: Cash £564, 63.5, three months £585, 84.5, 84. Kerb: Bars: Cash £564.5, early Dec. £566.5, three months £584.5, 85.

[COP]PER	a.m. Official	+ or −	p.m. Unofficial	+ or −
	£	£	£	£
[Wire]bars				
[Cash]	566.5-7	+3	563-4	−1.75
[3 mo]nths	586.5-7	+3	584-.5	−1
[Settl]em'nt	567	+3	—	......
[Cath]odes				
[Cash]	552.5-3	+1	551.2.5	−.75
[3 mo]nths	572.5-3	+1.5	571-2.5	−.25
[Settl]em'nt	553	+1	—	......
[U.S.] Smt.	—	......	*53-53.7	......

TIN—Lost further ground. Currency considerations initially held prices steady despite the downturn in Penang overnight. Later, freer offerings of both cash and forward metal turned prices easier and there was a further widening of the contango. Turnover 330 tonnes.

Morning: Standard: Cash £3,065, 55, three months £3,125, 20. High Grade: untraded. Kerbs: Standard and High Grade: untraded. Afternoon: Standard: Cash £3,045, 50, three months £3,110, 15. High Grade: Untraded. Kerb: Standard: Three months £3,120.

TIN	a.m. Official	+ or −	p.m. Unofficial	+ or −
High Grade	£	£	£	£
Cash	3053.5	−8.5	3047-55	−10
3 months	3115-20	−5	3115-20	−7.5
S'ment	3055	−10	—	......
Standard				
Cash	3053.5	−8.5	3047-55	−10
3 months	3115-20	−5	3115-20	−7.5
S'ment	3055	−10	—	......
Straits E.	†$958½	−15	—	......
New York	—		—	......

LEAD—Little changed. Prices were modestly firmer in early trading helped by trade buying but subsequent hedge selling later gained the upper hand and values ended with small on-balance losses. Turnover 3,760 tonnes.

LEAD	a.m. Official	+ or −	p.m. Unofficial	+ or −
	£	£	£	£
Cash	163-.25	+.75	162-.25	−.5
3 months	170-.25	+.5	169-.25	−.625
S'ment	163.25	+.75	—	......
N.Y. Spot	—	......	19-22½	......

Morning: Cash £163, three months £170.5, 70.75, 70.5, 70.25, 70. Kerb: Three months £170.25. Afternoon: Cash £162, three months £169.5, 69. Kerb: Three months £169.25.

ZINC—Easier. The opening firmness of prices, forward metal touched £350 at one time, reflected the initial steadiness of copper while influential buying of cash metal was also reported. Later, values eased in line with the general trend owing to chartist selling and profit-taking. Turnover 12,475 tonnes.

ZINC	a.m. Officia	+ or −	p.m. Unofficial	+ or −
	£	£	£	£
Cash	334.5-.75	−1.25	334-.5	−1
3 months	347.5-8	−.5	347-.5	−.5
S'ment	334.75	−1.25	—	......
Prm. West	—	......	*381¼-9	......

* Cents per pound. † On previous unofficial close. ‡ SM per picul.

Morning: Cash £336, 35.5, 34.5, three months £349, 50 to 47.5. Kerb: Three months £347.5. Afternoon: Cash £335, £34.5, three months £348.5 to 47.5. Kerb: Three months £347.5, 7.75.

SILVER

Silver was fixed 0.85p an ounce lower for spot delivery in the London bullion market yesterday, at 207.7p. U.S. cent equivalents of the fixing levels were: spot 421.9c, down 2.4c; three-month 429.7c, down 2.1; six-month 438c, down 2.3c; and 12-month 456.8c, down 2.6c. The metal opened at 207-208p (420-422c) and closed at 206.5-207.5p (420-422c) in quiet trading.

SILVER per troy oz.	Bullion fixing prices	+ or −	L.M.E. close	+ or −
Spot	207.7p	−0.85	207.1p	+0.6
3 months	213.9p	−0.85	213.4p	+0.75
6 months	220.4p	−0.85	—	......
7 months	—	......	222.2p	+0.75
12 months	233.9p	−0.85	—	......

LME—Turnover 318 (237) lots of 10,000 ozs. Morning: Three months 214.2, 14.1, 4.0, 13.8, 3.7. Kerb: Three months 213.7, 3.8, 14.0. Afternoon: Three months 213.5, 3.3, 3.4. Kerb: Three months 213.5.

COCOA

Conditions were quiet, with near months steady on moderate buying, reports Gill and Duffus.

COCOA	Yesterday's Close	+ or −	Business Done
No.4 Contract			
December	654.0-55.5	+7.5	657.0-48.0
March	629.5-30.0	+0.5	634.0-28.0
May	613.0-14.0	−1.0	617.0-12.0
July	606.0-06.5	−1.0	608.0-04.0
September	599.0-601.0	+1.0	600.0-597.0
December	593.0-94.0	−1.0	596.0-92.0
March	591.0-92.0	−1.0	590.0

Sales: 1,335 (1,690) lots of 10 tonnes.

FREIGHTS

DRY CARGO—Chartering was moderate but brokers expect a sharp reduction in activity because of to-day's thanksgiving day holiday in the U.S. Grain cargoes were covered from U.S. Gulf to Pland at $9.25 f.i.o. for Dec./Jan. and U.S. Gulf-Maracaibo, $10.75 prompt Dec., also Northern Range Ghent/Hamburg Range $8 f.i.o. Dec. Two cargoes wheat booked U.S. North Pacific South Korea $14.50 free discharge spot and $14 free discharge Jan.

A small cargo of grain booked U.S. Gulf-Puerto Cortes, Honduras, $11.50 f.i.o. Nov./Dec. Miscellaneous chartering included 49,000 long tons petroleum coke Mississippi-Antwerp, Rotterdam or Amsterdam $300,000 f.i.o. Dec. Timecharterers booked vessel 45,073 long d.w.t. S. American round voyage $2.70 delivery Sicily Dec., re-delivery Black Sea.

COFFEE

Robusta terminal was quiet due to the holiday in New York. The limited business mainly involved local speculative activity and switching operations. At the close values were mostly £2 down on balance.

COFFEE	Yesterday's Close	+ or −	Business Done
	£ per tonne		
November	710-718	−7	718-713
January	716-718	−1.5	715-714
March	713-714	−2.5	717-710
May	714-715	−2	716-711
July	717-718	−2	723-717
Sept.	722-723	−2.5	727-720
November	726-727	−2.5	730-726

Sales: 381 (473) lots of 5 tonnes.

Latest published ICO indicator prices. U.S. cents a pound. Colombian Mild Arabicas 89.50, Other Mild Arabicas 77.50, Unwashed Arabicas Santos Four 94.00, Robustas 71.13. Daily average 82.68.

ARABICA CONTRACT (in order buyer, seller, sales)—Dec. 91.00-93.00, 93.00, three; Feb. 86.50-88.70, 87.00-86.50, 22; April 87.00-87.50, 87.50, five; June 87.70-88.00, nil; Aug. 88.00-88.70, nil; Oct. 89.00-89.50, nil; Dec. 89.60-90.50, nil. Sales: 38.

RUBBER

STEADIER opening on the London physical market. Good demand throughout day, closing on a firm note. Lewis and Peat reported a godown price of 151½ Malaysian cents (buyer December).

No. 1 R.S.S.	Yesterday's close	Previous day's close	Business done
Dec	—	—	—
Jan.	35.80-36.00	34.75-34.95	35.50
Feb.	36.00-36.15	35.70-35.40	—
Jan.-Mr.	36.08-36.09	35.60-35.65	36.80
Apr-Jne	37.40-45.00	37.09-37.10	37.45-18.00
Jy-Sep	38.45-38.50	38.05-38.10	38.50-10.00
Oct-Dec	39.55-39.90	39.15-39.20	39.85-45.00
Jan-Mr	40.60-55.00	40.25-40.30	40.60-55.00
Ap-Jun	41.45-55.00	41.20-41.30	41.50
Jly-Spt	41.95-42.00	41.75-41.90	42.10-42.00

Sales: 126 (78) lots of 15 tonnes.

Physical closing prices (buyers) were: Spot 34.25p (33.0), Dec. 33.0p (32.4); Jan. 33.75p (32.75).

SOYABEAN MEAL

	Yesterday's Close	+ or −	Business Done
	£ per tonne		
December	85.3-85.5	+2.2	84.0
February	85.5-85.4	+0.85	85.5-85.8
April	86.1-86.2	+0.75	86.1-85.8
June	87.1-87.5	+1.05	—
August	88.1-88.2	+0.35	—
October	88.9-89.0	+0.35	—

Sales: 36 (34) lots of 100 tonnes.

SUGAR

LONDON DAILY PRICE (raw sugar) £153 (£152) a ton c.i.f. for Nov.-Dec.-Jan. shipment. White sugar daily price was fixed at £179 (same).

The market improved gradually over the day in quiet conditions, and closed slightly below best prices reached, reports C. Czarnikow. The December account expired with a trade at the level of the LDP.

Sugar Pref. Comm. Con.	Yesterday's Close	Previous Day's Close	Business Done
	£ per ton		
Dec.		152.00-52.75	
March	157.20-57.30	156.80-56.70	154.00-52.00
May	159.00-59.20	158.00-58.65	157.75-56.50
Aug.	159.55-59.65	159.55-58.40	159.50-58.00
Oct.	160.75-61.20	159.50-60.60	161.00-8.50
Dec.	160.88-61.40	159.75-60.00	161.20-57.40
March	160.65-61.08	158.75-58.95	161.50-60.00

Sales: 1,223 (2,127) lots of 50 tonnes.

Tate and Lyle ex-refinery price for granulated basis white sugar was £212.20 (same) a long ton for home trade and £237 (same) a long ton for export.

GRAINS

THE BALTIC—Imported grain markets remained subdued with no significant change in sellers' quotations. The closure of U.S. markets was a restraining factor.

Wheat—U.S. Dark Northern Spring No. 2, 14 per cent., Jan. £90.25, Feb. £90.95, March £182.50 direct Tilbury, April-mid-May £89.45, May £89.05, June £90.35, July £89.65 transhipment East Coast. EEC Feed Nov. £63.75, Dec. £63.50 East Coast.

Maize—No. 3 Yellow American/French Nov. £65.50, Dec. £66, Jan. £67 transhipment East Coast seller. South African White Jan. £68.25, Feb. £68.50, March £68.75 U.K. South African Yellow Jan. £67.25, Feb. £67.50, March £67.75 U.K. Other grades unquoted.

MARK LANE—Very quiet conditions pervaded all sections of the London market and values showed no change. Average sellers quotations in sterling per long ton, delivery London area: Wheat, milling, Dec. £64.50, Jan.-March £66.50. Denaturable, Dec. £64, Jan.-March £65. Barley, feed, Dec. £63.

LONDON GRAIN FUTURES MARKET (GAFTA). Wheat, quiet (close): Jan. 64.10, March 65.75, May 67.15, Sept. 66.50. Business: March 65.80-65.60, May 67.10, Sept. 66.50-66.35. Barley, quiet (close): Jan. 62.20, March 64.30, May 65.85, Sept. 65.20. Business: Jan. 62.20-62.10, March 64.50-64.15, May 65.80, Sept. 65.15-65.05.

HGCA—Location ex-farm spot prices: Feed wheat: Wiltshire £60.70, South Lincoln £60.70; Feed barley: Wilts. £60.00, S. Lincoln £60.05.

EEC DAILY IMPORT LEVIES—The following levies and premiums effective November 28 (in order current levy plus Dec., Jan. and Feb. premiums, previous in brackets). In units of account per tonne. Common wheat—29.65, rest nil (29.65, rest nil). Durum wheat—51.45, rest nil (51.45, rest nil). Rye—37.94, rest nil (37.94, rest nil). Barley—16.29, rest nil (16.29, rest nil). Oats—15.61, rest nil (15.61, rest nil). Maize (other than hybrid for seeding)—30.27, rest nil (30.27, rest nil). Buckwheat—nil, nil, 120 (nil, nil, nil, 1.20). Millet—23.92, 0.40, 0.40, nil (23.92, 0.80, 0.80, nil). Grain sorghum—28.47, rest nil (28.47, rest nil). Also effective for following flours: wheat or mixed wheat and rye flour 60.67 (60.67). Rye flour 72.30 (72.30).

WOOL FUTURES

LONDON—The market was steady, Bache reports.

Australian Greasy wool	Yesterd'y's close	+ or −	Business Done
December	170.0-78.0	......	—
March	174.0-80.0	......	—
May	178.0-82.5	+2	—
July	185.0-85.0	+1.5	—
October	190.5-91.0	+0.75	191.5-90.0
December	192.0-95.5	+0.5	193.5
March	194.0-98.0	+1	—

Sales: 8 (10) lots of 1,500 kilos.

SYDNEY GREASY (in order buyer, seller)—Dec. 249.5-249.6, Mch. 261.6-262.0, May 269.5-270.0, July 278.5-273.0, Oct. 277.1-277.4, Dec. 281.0-282.0, Mch. 282.5-288.1. Sales 853.

BRADFORD—The top market showed a firmer tendency based on rising wool costs, well supported by a good flow of business. Trading experience varied according to acceptable prices and home trade spinners followed reluctantly and at a distance.

Stocks available to meet bids below replacement costs were very limited however and market strength made stockholders determined to make the most of their advantage.

MEAT/VEGETABLES

SMITHFIELD (pence per lb.)—Beef: Scottish killed sides 34.0-37.5, Eire hindquarters 39.0 to 40.0, forequarters 26.0 to 28.0.

Veal: English fats 50.0 to 54.0, higher quality fats 58.0. Bobbies 14.0 to 18.0, Scottish bobbies 18.0 to 20.0, Dutch hinds and ends 70.0 to 73.0, higher quality 82.0.

Lamb: English small 32.0 to 36.0, Small (higher quality) 37.0. Medium 30.0 to 34.0, heavy 29.0 to 30.0, Scottish medium 30.0 to 33.0, heavy 28.0 to 29.0, hill 28.0 to 36.0. Imported frozen: NZ D's 32.0 to 33.0, 2's 30.0 to 31.0, 3's 28.5 to 29.0, YL's 29.0 to 30.0.

Pork: English, under 100 lbs 33.0 to 38.5, 100-120 lbs 33.0 to 39.0, 120-160 lbs 32.0 to 36.0, 160-180 lbs 31.0 to 34.0, 180 lbs and over 28.5 to 31.0.

MEAT COMMISSION—Average fatstock prices at representative markets on Nov. 27: U.K.—Cattle £21.85 per live cwt. (+0.70), sheep 37.2p per pound e.d.c.w. (−0.3), pigs £5.08 per sc.l.w. (−0.09). England and Wales—Cattle numbers down 4.8 per cent., average price £21.85 (+0.69); sheep numbers down 20.8 per cent., average price 37.9p (—); pig numbers down 7.6 per cent., average price £5.08 (−0.10).

COVENT GARDEN (prices in sterling)—Imported produce: Oranges—Spanish: 2.40-3.00. Satsumas—Spanish: per tray 2.00-2.20. Clementines—Moroccan: 8 2.20, 7 2.40, 6 2.60, 5 2.80. Lemons—Italian: 3.80-4.20; South African: 4.50-5.00; Greek: 4.00-4.20; Turkish: 2.70-3.00; Cypriot: 4.30-4.50. Grapefruit—Dominican: 1.50-2.50; Cypriot: 2.40-3.20; Jaffa: 2.70-3.30; Floridian: Ruby 4.00; Jamaican: 2.60-3.30. Apples—French: per 20 lb Golden Delicious 72/84 1.50-1.60, per 20 lb Starking 1.50, Granny Smith 72/84 2.20-2.40; Danish: per pound McIntosh 0.10. Pears—Italian: per pound Williams 0.11-0.12. Passacrassana 0.16. Pineapples—South African: 9/15 2.50-2.70. Bananas—per 28 lb Windward Islands: 2.70; Jamaican: 2.60. Grapes—Spanish: per 11 lb Almeria 1.00-1.20, Black 1.50; Californian: per 23 lb Red Emperor 4.20. Dates—Californian: per carton 0.19; Iraqi: per packet 0.08; Algerian: 0.23-0.27. Tomatoes—Spanish: 2.00-2.30; Canary: 1.90-2.10. Onions—Spanish: 4/5 4.30-4.50; Dutch: 2.80-3.40; Polish: 3.90. Cucumbers—Canary: 1.40-1.50. Cauliflowers—Jersey: per 24 3.50. Cranberries—U.S.: per 6 oz 18 2.16, 16 oz 24 5.04. Figs—Turkish: per oz 0.11. Almonds—Cypriot: per pound semi-soft 0.23. Brazil nuts—LWM per pound 0.20-0.22. Chestnuts—Italian: 1.80-3.50; French: 1.70; Spanish: per 5 kilos 1.10-1.40. Filberts—Italian: per pound 0.22-0.22½. Walnuts—Chinese: per pound 0.19-0.21; Californian: per pound 0.27-0.29.

English produce—Lettuces: per 12 round 0.60-0.70. Potatoes—per 56 lb 2.70, Edwards 2.80-2.90. Cabbages—per bag Primo 0.50. Apples—per pound Cox's Orange Pippin 0.06-0.10, Russets 0.05-0.07, Bramleys 0.07-0.09, Derby 0.05-0.06, Laxton's 0.06-0.07. Celery—per 12 0.96, prepacked 20/25 2.40-2.50. Sprouts—per pound 0.07-0.07½. Beetroot—per 12 lb 0.70-0.80. Onions—per 56 lb 3.00-3.20. Swedes—per 28 lb Devon 0.50. Carrots—per 28 lb 0.50-0.60. Peas—per pound Conference 0.09-0.11, Comice 0.12-0.13. Parsnips—per 28 lb 1.20-1.40. Cauliflowers—per 12 1.50-2.00.

JUTE

LONDON—Quiet. Bangladesh White C grade Nov.-Dec. £195, D grade Nov.-Dec. £188. A long ton.

CALCUTTA—Steady. Indian Oct.-Dec. Rs450.00, Dundee Daisee Oct.-Dec. Rs430.00 values. A bale of 400 lbs.

DUNDEE—Steady. Prices c. and f. U.K. for Dec.-Jan. shipment: BWB £185, BWC £188, BWD £151. Tossa: BTB £197, BTC £190, BTD £183. Calcutta goods quiet. Quotations c. and f. U.K. for Nov. shipment: 10 ozs, 40-inch £6.90, 7½ ozs £5.17 per 100 yards. Dec. £7.04 and £5.31. Jan.-March £7.28 and £5.49. "B" twills £23.18, £21.93 and £21.91 for the respective shipment periods. Yarns and cloths firm.

COTTON

LIVERPOOL COTTON—Spot and shipment sales amounted to 364 tonnes, bringing the total for the week so far to 1,479 tonnes, reports F. W. Tattersall. Steady buying persisted, with attention mainly centred on Central American and African qualities. Spinners continued to search for supplies, although capacity was not being fully utilised.

*

COPRA, Philippines, Nov. and Dec. £293½ resellers per tonne, c.i.f. North European ports.

Food will 'out-price oil'

FOOD will increasingly become a major bartering factor between "super-Powers," eventually replacing oil, the Farm and Food Society said yesterday.

"Long-term grain deals between America and Russia, and the strategic use of oil supplies by the Arabs, have put British agriculture, with its heavy reliance on imported feedstuffs and high fossil fuel energy input, at the mercy of world-scale bartering by the super-Powers," the society said.

PRICE CHANGES

Prices per ton unless otherwise stated.

	Nov. 27 1975	+ or −	Month ago
Metals			
Aluminium (z)	£396	......	£396
Free Market cif	£555-545	......	£510-525
Copper			
Cash Wire Bars (z)	£563.5	−1.75	£567.25
3 months do. do. (z)	£584.25	−1.0	£588.75
Cash Cathode (z)	£551.75	−0.75	£552.25
3 months do. (z)	£571.75	−0.25	£573.5
Gold ... Troy oz.	$138.75	−1.5	$142.75
Lead Cash (z)	£162.125	−0.5	£162.5
3 months (z)	£169.125	−0.625	£170.25
Nickel (z)	£2,681	......	£2,347.8
Free market cif (lb)	$1.+2.0	+0.025	$1.81-1.9
Platinum troy oz.	£78½-81½	......	£76½-81½
Free Market	£71.4	......	£69.4
Quicksilver 76lbs	$80-88	......	$80-84
Silver Troy oz.	207.7p	−0.85	204.5p
3 months	213.9p	−0.85	211p
Tin Cash (z) §	£3,051	−10.0	£3,025.5
3 months (z)	£3,117.5	−7.5	£3,061.5
Wolfram 22.04lb.cif	£42.5-44	......	£40.42
Zinc Cash (z) §	£334.25	−1.0	£344
3 months (z)	£347.25	−0.5	£354.75
Producers (z)	£390	......	£390
Oils			
Coconut Malayan	‡	......	‡
Groundnut			
oil	£387	......	£440
Linseed Crude (z)	£377	......	£400
Palm Malayan (z)	£186	......	£190
Soyabean (z)	‡	......	‡
Seeds			
Copra Philipp ton	$202.5	+2.5	$195
Gr'nuts Nigerian	‡	......	‡
Linseed Can No. 1	£155	......	£157
Grains			
Barley EEC	‡	......	£69
Home Futures	£62.2	+0.1	£61.65
Maize			
French No. 3 Am.	£65.5	......	£64
S.A. Yellow	£67.25	......	£71.5
Wheat			
No. 1 Red Spring	‡	......	‡
No. 2 Hard Winter	‡	......	‡
Australian (f.a.q.)	‡	......	‡
English Milling	£64.5	......	£67
Cocoa Shipment (u)	£662.5	+4.0	£698
futures March	£629.75	+0.75	£642.75
Coffee Shipment (c)	‡	......	‡
futures Jan. (u)	£717	−1.5	£735.5
Cotton 'A' Index			
cent	55.5	+0.05	55.65
Jute LJABWC (d)	£195	......	£195
Rubber ... kilo	34.25	+1.25	32.5p
Sisal EA3L (z)	£600	......	£600
Sugar (Raw)	£153	+1.0	£166
Wooltops 64s ... kilo	206p	+2.0	202p
Cloves (Madagascar)	£2,480	......	£2,600
Pepper White ... ton	£950	......	£940
Black ... ton	£740	......	£755

* Nominal. † Seller. ‡ Unofficial close. ‡ Indicative price. b U.K. and Commonwealth refined. c Uganda Robusta standard grade indicative prices f.o.b. Mombasa U.S. cents a pound. d Bangladesh white "C." ‡ Unquoted. a Seller's quotation. h Nov. z Metric tons. y September. w Nov.-Jan.

FINANCIAL TIMES

Nov. 27	Nov. 26	Month ago	Year ago
169.16	168.78	172.31	191.87

(Base: July 1, 1952=100)

REUTER'S

Nov. 27	Nov. 26	Month ago	Year ago
1137.7	1129.8	1147.2	1122.8

(Base: Sept. 18, 1931=100)

DOW JONES

Dow Jones	Nov. 26	Nov. 25	Month Ago	Year ago
Spot	291.81	290.46	300.07	425.01
Futures	282.81	280.80	281.59	402.81

(Average 1924-25-26=100)

MOODY'S

Moody's	Nov. 26	Nov. 25	Month ago	Year ago
Spile Commo'ty	760.4	746.0	758.3	871.8

(Dec. 31, 1931=100)

GRIMSBY FISH—Supply poor, demand good. Prices at ship's side (unprocessed): Cod, shelf, 2.80-3.30; Codling, 2.20-2.80; Haddock, large, 3.70-3.00; medium, 2.40; small, 2.60; Plaice, large and medium, 4.50; best small, 4.00; Skinned dogfish (medium), 2.40; (large), 3.50; Lemon Sole, 6.00; Rock Fish, 1.30-1.50; Reds, 1.20-1.40; Saithe, 1.10-1.40.

India may buy jute from Bangladesh

By Our Own Correspondent

NEW DELHI, Nov. 27.

INDIA IS likely to import 1.5m. bales of raw jute from Bangladesh where the minimum support price has fallen below the level of Taka 90 for 80 lbs to Taka 70 (Rs.54).

The Jute Corporation of India and the Bangladesh Jute Export Council have held exploratory talks on the subject.

India's Commerce Ministry feels there is no immediate need for jute imports but this is planned as a precaution for the next jute year beginning July 1. Since the industry uses about 650,000 bales a month it will need 1.3m. tonnes for next July and August after which arrivals of next year's crop will begin in the market.

U.S. markets were closed yesterday because of Thanksgiving Day, a public holiday.

JAPAN COPPER AS SECURITY

THE Industrial Bank in Tokyo has said it will accept electrolytic copper as security for a projected Y2,800m. loan to Nippon Mining Company as part of a Y24,300m. syndicated loan to Japanese copper smelters.

The Export-Import Bank of Japan said it was the first time electrolytic copper had been accepted as security, and this might lead to acceptance of other metals.

The Export-Import Bank said it would supply Y17,000m. of the syndicated loans, the remainder coming from about 10 commercial banks to help smelters import ore and concentrates from developing countries.

Canadian markets

WINNIPEG, Nov. 27.

††Rye—Dec. 243 (244), May 254½ asked (254½), July 250½ nom., Oct. 236½ nom.

cOats—Dec. 156½ (156½ bid), May 151½ asked (151½ bid), July unquoted, Oct. unquoted.

§Barley—Dec. 239½ (same), May 235 (235½), July 230 nom., Oct. unquoted.

dFlaxseed—Dec. 642½ bid (657), May 660 (670), July 661 asked, Oct. 666 asked.

*Wheat—SCWRS 13.5 per cent. protein content, St. Lawrence 493 (488¼).

All cents per pound ex-warehouse unless otherwise stated. *Cents per 60-lb bushel ex-warehouse. ф $'s per troy ounce—100-ounce lots. †Chicago loose $'s per 100 lbs—Dept. of Ag. prices previous day. Prime steam f.o.b. NY bulk tank cars. ‡‡ Cents per troy ounce ex-warehouse. b New "B" contract in $'s a short ton for bulk lots of 100 short tons delivered f.o.b. cars Decatur and Illinois. †‡ $'s per troy ounce for 50-ounce units of 99.8 per cent. purity delivered NY. **Cents per 60-lb bushel in store. ††Cents per 56-lb bushel ex-warehouse, 5,000 bushel lots. c Cents per 24-lb bushel. § Cents per 48-lb bushel ex-warehouse, 5,000 bushel lots. d Cents per 56-lb bushel, ex-warehouse, 1,000-bushel lots.

D.U.I.B.

[A]DVERTISER HAS D.U.I.B. [A]VAILABLE FOR SALE IN 10 TON LOTS

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PERSONAL

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GLEESON

CIVIL ENGINEERING & BUILDING CONTRACTORS

The Directors of M. J. Gleeson (Contractors) Limited [anno]unce the following results of the Group for the year ended [30th] June, 1975.

	1974-75	1973-74
	£	£
[Tur]nover	45m	36m
	£000	£000
[Pre-t]ax profit	903	701
[Defe]rred taxation	460	340
[Prof]it after taxation	443	361
[Divi]dends		
Interim Paid	57	52
Final Proposed	93	88
	150	140
[Earn]ings per share	4.43p	3.61p

These results confirm that the Group's turnover in the year [ende]d 30th June, 1975 was 25% higher than the 1973/74 figure. [F]urther provision against land values has been necessary, and [the] profit is £202,000 higher despite the effect on the trading [marg]in of increased costs arising at the end of the last fixed price [contr]acts.

The recommended final dividend is 0.93341p per share which, [with] the interim of 0.56434p per share, is equivalent to a gross [distr]ibution of £230,423 the maximum permitted increase of 10% [over] the 1973/74 gross equivalent distribution.

The Board expects that the 1974/75 turnover level will be [main]tained in the current financial year ending 30th June, 1976 [but] feel it would be unwise to make a profit forecast. Regarding [futur]e prospects, the position of the order book is very satisfactory. [But i]n view of the repeated warnings that public expenditure may [have] to be further curtailed the Board must take a cautious view [of th]e future.

The Annual General Meeting will be held at Haredon House, [Nort]h Cheam on the 4th February, 1976, the final dividend being [paya]ble immediately thereafter to shareholders on the register [at th]e close of business on the 9th January, 1976.

The Directors are pleased to announce the appointment of [Mr.] J. Gleeson as a Director of the Company who takes the late [Mr.] G. R. Eastwood's place on the Board. At the same time Mr. [...] Bruce has been appointed a local Director.

STOCK EXCHANGE REPORT

ICI figures disappoint and equities react afresh
Share index down 7.2 at 360.3—Golds down again

Account Dealing Dates
Option

*First Declara- Dealings	tions Dealings	Last Dealings	Account Day
Nov. 17	Nov. 27	Nov. 28	Dec. 9
Dec. 1	Dec. 11	Dec. 12	Dec. 23
Dec. 12	Dec. 23	Dec. 24	Jan. 7

* " New time " dealings may take place from 9.30 a.m. two business days earlier.

Equities sustained a fairly sharp setback yesterday. The eagerly awaited third-quarter figures from Imperial Chemical Industries, which were judged to be disappointing, came on a market already looking distinctly tired and served to undermine sentiment further. As on Wednesday, there was a fair amount of loose stock about and leading industrials closed with fresh falls extending to around 6. There was a small technical rally in the late dealings, this being reflected in the FT 30-share index which touched its lowest of the day at 3 p.m. with a fall of 8.2 and closed 7.2 down on balance at 360.3, making a loss of 16.3 so far this week.

Interest faded in British Funds after the previous day's bout of activity. Short-dated stocks gave a little further ground, while mediums and longs closed without much alteration. The Government Securities index eased 0.03 to 58.65.

Recent irregularity in second-line equities gave way to a generally dull trend as sellers became more persistent. Falls led rises by over 5-1 in FT-quoted Industrials compared with 6-5 on Wednesday, while the broadly based FT-Actuaries All-Share index lost 1.7 per cent. to 153.75. Official markings of 6,548 compared with 6,636 on Wednesday and 7,784 a week ago.

Gilts move narrowly

British Funds moved marginally in both directions. High-coupon longs found fresh support initially but this soon dried up and in the late trading that ensued, the tendency appeared a shade easier before hardening again in the late business. Meanwhile, the shorts ignored the trend in sterling and opened steadily but renewed small switching into longer maturities brought further minor losses ahead of to-day's debut of the new short "tap" Treasury 10½ per cent., 1979, "A" stock. Corporations edged higher in a slightly increased trade, but the delay in the constitutional talks pact lowered Southern Rhodesia 2½ per cent., 1965/70, two points to £42.

Revived small institutional demand lifted the investment currency premium from 110 to 112 per cent. before closing a net ½ higher at 111 per cent. Yesterday's SE conversion factor was 0.6085 (0.6033).

Official London dealings commenced yesterday in the American Hughes Tool $1 Common shares, which were quoted at £31½.

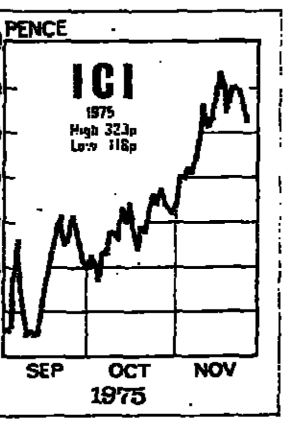
Banks down again

The big four Banks continued their gentle downward drift, but managed to harden a little after the "house" close. Barclays, for example, after touching 296p closed only 2 down on the day at 300p, while Midland declined 5 at 282p, after 280p. Slightly better-than-expected preliminary profits helped National and Commercial move to firm Commercial to firm initially to 69p before easing back to close unchanged on the day at 68p. Overseas issues hardened in places; National Bank of Australasia closed 18 higher at 293p and Bank of New South Wales 15 better at 690p. Merchant banks were easier where changed, with Leopold Joseph 10 off at 230p and Hill Samuel 4 cheaper at 119p. Still upset by the previous day's news that the dividend on the 4½ per cent. Preference stocks has been deferred, UDT cheapened a penny more to 12p.

Although closing slightly above the day's lowest, Insurances displayed a majority of small losses after a light trade. "Royals" declined 3 to 305p, after 300p. Sedgwick Forbes, 255p, and Legal and General, 134p, gave up 7 apiece.

With the exception of Allied, which edged forward a penny to 67p in the late trade, Breweries closed easier for choice after a reasonable business. Bass Charrington gave up 2 to 99p as did Arthur Guinness at 133p.

Apart from Anglo-American Asphalt, which improved 14 more



to a 1975 peak of 170p on the sharply higher interim profits and the bonus "rights" issue terms, Buildings joined in the general downturn. Tunnel "B" declined 9 to 176p following the half-yearly report, while similar reactions were seen in H. and R. Johnson-Richards Tiles, 183p, and BPB Industries, 152p. Tarmac finished 6 cheaper at 166p and Manders lost 4 to 36p. French Kier closed unchanged at 9p, after 8½p, following the interim report.

Standing at 314p, ahead of the interim report, ICI reacted to 310p on disappointment with the third-quarter profits before closing 3 cheaper on balance at 312p. Other Chemicals drifted lower in sympathy.

British Home dull

British Home remained a dull market, the new nil-paid shares reacting 11 further to 57p premium, while the old closed 13 cheaper at 335p. Other Stores finished with more modest losses. Marks and Spencer ended 2 easier at 99p, after 97p, while similar reactions were seen in F. W. Woolworth, 65½p, "Gussies" "A," 187p, and House of Fraser, 70p. Amber Day issues closed with contrasting movements following news of the proposed "rights" issue and conversion plans, the Ordinary being 3 easier at 48p, after 46p, and the Preferred 3 harder at 62p, after 87p. Mail Orders were quiet and little changed.

Electrical leaders gave fresh ground on small selling. Thorn Electrical finished 6 cheaper at 204p and EMI 4 lower at 219p, while declines of 3 occurred in GEC, 138p, after 142p, and Plessey, 75p. Secondary issues were also in easier vein, but Rediffusion firmed a penny to 86p awaiting to-day's interim results. British Electronic Controls dipped 1½ to 10p, while declines of 2 were recorded in Comet Radiovision, 48p, and Pye Holdings, 57p.

The Engineering majors succumbed to the general easier trend. GKN, 251p, and Hawker Siddeley, 320p, both cheapened 6, while Tube Investments gave up 4 to 286p and Vickers 3 to 143p. Second-liners once again followed an irregular pattern. News items brought downward movement of 4½ in London and Midland Industrials, 54p, and 3 in both Anderson Strathclyde, 155p, and British Steam Specialties, 68p. United Wire fell 4 late to 42p on the disappointing preliminary results, while 600 Group cheapened 2 to 58p on the first-half profits setback. The bid agreed higher terms which have secured the approval of the Board of American Chain and Cable did little for Babcock and Wilcox which improved to 67p initially before closing a net penny down at 64p. GHP receded 6 to 102p and Glynwed lost 4 more to 97p. By way of contrast, buying in a thin market on revived talk of a bonus "rights" issue or a possible share sub-division helped Weyburn rise 19 to 345p. Awaiting interim figures, Fairey edged forward 1½ to 84½p. Satisfactory half-year earnings left Triplex Foundries 2½ dearer at 49½p and General Engineering (Radcliffe) a shade harder at 22p.

Foods made a poor showing. Tesco, still reflecting disappointment with the interim figures, gave up 1½ more at 44p for a two-day loss of 5. Tate and Lyle were finally 4 off at 250p, after 247p, while J. Sainsbury, 132p, and Rowntree Mackintosh, 131p, lost 5 apiece. Small selling in a thin market left Hazlewoods (Prop.) 7 cheaper at 18p, while other notable casualties included Wheatsheaf Distribution, 5 easier at 153p, and Highgate and Job, 8 off at 65p. FMC, at 53p, recouped 3 of the previous day's fall of 7 which followed the interim statement.

Johnson Matthey firm

Thin selling in the absence of support caused miscellaneous Industrial leaders to drift lower to record fresh losses extending to 8. Unilever were that amount cheaper at 408p, while Boots receded 7 to 130p and Beecham closed 6 down at 332p, after 331p. Metal Box, 262p, Reckitt and Colman, 320p, and Reed International, 232p, also showed declines of 6, while Pilkington, with interim results expected next Thursday, lost 5 to 270p. Elsewhere, Press comment on the half-time results helped Johnson Matthey to improve 13 to 293p, while increased interim profits left Boosey and Hawkes 3 better at 91p and Silkolene Lubricants 2 firmer at 63p. International Computers put on 3 to 62p, but Airfix Non-voting, after improving to a peak for the year of 84p on the higher half-time profits, came back to 78½p for a net loss of 4. Half-yearly profits setbacks left Brady Industries 6 down at 73p, Valor 4 cheaper at 34p, The Times Veneer a penny softer at 6½p, and Crosby Spring Interiors a fraction off at 7p. Wade Potteries showed displeasure with the annual results by reacting 4 to 27p, while the profits contraction was followed by a loss of 2 to 82p in Hay's Wharf. I.C. Gas receded 16 to 360p, Royal Worcester 6 to 115p, and Trafalgar House 5 to 98p.

Reflecting uncertainty about the outcome of critical decisions facing the industry, Motors and Distributors closed widely lower. Lucas Industries stood out at 168p, down 6, while ERF, 34p, and Dowty, 136p, gave up 4 and 5 respectively. Rolls-Royce eased 2 to 65p, while Group Lotus, 24p, and British Leyland, 30p, shed a penny apiece. Harmo Industries provided a firm spot at 41½p, up 3½p, on the Tenneco bid terms. Flight Refuelling edged up 2 to a 1975 peak of 24p on the interim report. Small falls littered Garages, Braid and BSG both closing a penny easier at 18½p and 14½p respectively.

McCorquodale came on offer late and fell 8 to 216p in Paper/Printings where DRG were 3 cheaper at 118p. Newspapers continued in easier vein, but losses were usually limited to a penny or two. Against the dull backcloth, Associated Book Publishers picked up 2 more to 50p.

Land Securities sustained a reaction of 6 to 171p and MEPC, after touching extremes of 67p and 61p, finished 4 down on balance at 62p. Other leading Properties, however, held up fairly well with the aid of favourable Press comment. Amalgamated Investment and Property closed a fraction firmer at 16p, while Town and City Properties, 15½p, after 16p, and Capital and Counties, 15p, after 15½p, both finished at the previous night's levels. Against the dull trend of secondary issues, Town Centre Securities hardened 1½ to 23½p and Laganvale Estates a penny to 5p.

BP down again

Oils traded freely but whereas British Petroleum gave up 8 further to 560p, after momentary firmness at 570p, Shell resisted and closed unaltered on the day at 370p, after 368p. Royal Dutch also had followers and gained ½ to £30½. Elsewhere there was little net change apart from Berry Wiggins, which fell 4 to 51p; the new nil-paid shares lost 5½ to 18p premium. Overseas issue pursued an irregular course, Pan Ocean rising 20 to 690p, but Ranger reacting ⅜ to £11⅝ and Siebens (U.K.) 30 to 450p.

With the profits upsurge being much as expected, Lonrho, easier at 119p ahead of the news, hardened to 120p for a net loss of a penny following a small business. Other Overseas Traders often lost ground, with James Finlay prominent at 132p, down 6.

Walter Runciman were an isolated firm feature in Shippings, rising 8 to 128p, after 131p, on the proposed "rights" issue and the accompanying dividend forecast. Furness Withy, however, lost 13 more to 197p, after 195p, on further consideration of Wednesday's late news that the acquisition by Eurocanadian Shipholdings of a substantial minority holding in Furness is to be referred to the Monopolies Commission. Following the previous evening's late spurt on the company's disclosure that it has sold its large tanker "Teakwood," John I. Jacobs reacted 1¼ to 17⅝p.

Still depressed by last week's poor results, Sheaf Steam came on offer at 82p, down 5. P & O Deferred gave up 3½ to 108p.

Trusts and Financials generally gave ground on small selling and lack of support. Malit Securities declined 4 to 28p and Rothschild lost 6 at 305p. Akroyd and Smithers turned off 5 to 198p and Dalgety receded 8 to 205p.

During the course of a small turnover, Courtaulds moved between extremes of 143p and 140p before closing a penny easier on the day at 141p in mixed Textiles. Reactions of 3 and 4 respectively were seen in Coats Patons, 59½p, and Lister, 41p. Hicking Pentecost, on the other hand, hardened a penny at 62p on the interim figures.

Tobaccos continued to drift down, with Bats 3 lower at 320p and Imps 2½ off at 78p. Further consideration of the half-year results left Alfred Dunhill 5 cheaper at 248p.

Caird (Dundee) became a late dull feature, falling 11 to 20p on the omission of the interim dividend and first-half loss.

O.K. Bazaars "A" declined 20 to 700p in South Africans.

Losses in Golds

The weakness in the price of bullion had its inevitable effect on South African Gold shares. In quiet trading Golds tended to drift and the lack of interest from overseas sources, notably the U.S. (closed for Thanksgiving Day) was reflected in the marking down of prices.

Dealers reported small "cheap" buying but shares closed showing sizeable losses in some places. Bullion fell through the $140 mark at the afternoon fixing of $139 per ounce and was finally down $1.50 at 138.75 per ounce. The Gold Mines index consequently lost 3.2 to 224.9, its lowest since January 4, 1974.

Losses in the heavyweight issues ranged to ¼ in Randfontein (£16½) and Vaal Reefs (£19⅜); the lower-priced stocks Libanon reached a new low for the year of 545p, down 30, and Southvaal dropped 20 to 645p.

Financials mirrored the trend in Golds and U.K. Industrial markets. Anglo American fell 8 to 360p and Union Corporation 8 to 382p. Middle Wits dropped a further 10 to 315p on Cape selling and Rio Tinto-Zinc gave 5 at 179p.

Platinums lost ground on further considerations of the poor demand for the metal outlined in the Rustenburg annual report published yesterday. Potgietersrust gave up 5 to 155p and Lydenburg fell 3 to 97p.

In Coppers, ZCI eased further to 35p but Minorco, the subsidiary of Cape interest rose 4 to 218p.

Australians were mixed. The firmer trend in overnight markets "Down-Under" was counteracted by the fall in the investment dollar premium. Pancontinental, however, were easier overnight and profit-taking here lowered the shares to 885p at one point before they closed showing a net loss of 35 at 890p.

On the other hand MIM were firm rising 6 to 204p and North Broken Hill gained 7 to 140p. A sharp rise was reported in Blue River which jumped 10 to [illegible] in a thin market.

Tins were easier when changed. Malayan Tin (190p) and Southern Malayan (140p) fell [illegible] and 3 respectively on the chairman's forecast of lower profits for the year to next June.

Elsewhere, Murchison gained [illegible] to 740p in front of the dividend and profits and Sabina rose [illegible] to 118 on Canadian influences.

FINANCIAL TIMES STOCK INDICES

	Nov. 27	Nov. 26	Nov. 25	Nov. 24	Nov. 21	Nov. 20	A year ago
Government Secs.	58.65	58.68	58.59	58.57	58.56	58.55	51.[illegible]
Fixed Interest	58.90	58.86	58.90	58.91	58.91	58.91	[illegible]
Industrial Ordinary	360.3	367.5	373.1	374.2	376.6	372.1	[illegible]
Gold Mines	224.9	228.1	235.0	229.6	229.5	236.7	[illegible]
Ord. Div. Yield	5.85	5.74	5.67	5.65	5.62	5.70	[illegible]
Earnings Y'ld % (full)	16.51	15.99	15.80	15.81	15.67	15.88	[illegible]
P/E Ratio (net)	8.93	9.10	9.21	9.20	9.28	9.21	[illegible]
Dealings marked	6,548	6,636	7,832	7,460	7,096	7,564	[illegible]
Equity turnover £m.	—	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Equity bargains total	—	15,021	14,905	15,913	15,374	17,815	[illegible]

10 a.m. 367.0. 11 a.m. 363.9. Noon 362.4. 1 p.m. 362.4. 2 p.m. 360.1. 3 p.m. 359.3.
Latest Index 01-246 8026.
(a) Based on 52 per cent. corporation tax. (b) Nil=8.88
Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold Mines 12/9/55. SE Activity July-Dec. 1942.

HIGHS AND LOWS

	1975 High	1975 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	62.34 (20/5)	49.18 (3/1)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	62.31 (21/5)	50.53 (3/1)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	377.8 (19/11)	146.0 (6/1)	543.6 (13/5/72)	49.4 (26/6/40)
Gold Mines	442.3 (22/5)	224.9 (27/11)	442.3 (22/5/75)	43.5 (26/10/71)

S.E. ACTIVITY

—	Nov. 27	Nov. 26
Daily—		
Gilt Edged	167.1	16[illegible]
Industrials	227.2	23[illegible]
Speculative	55.0	6[illegible]
Totals	149.0	15[illegible]
5-day Av'rge		
Gilt-Edged	184.0	18[illegible]
Industrials	250.2	26[illegible]
Speculative	56.9	5[illegible]
Totals	162.0	16[illegible]

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS — GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Thursday, Nov. 27, 1975 Index No.	Day's Change %	Est. Earnings Yield % (Max. Corp. Tax 52%)	Gross Div. Yield % (ACT at 35%)	Est. P/E Ratio (net) Corp. Tax 52%	Est. P/E Ratio (nil) Corp. Tax 52%	Wed. Nov. 26 Index No.	Tues. Nov. 25 Index No.	Monday Nov. 24 Index No.	Friday Nov. 21 Index No.	Year ago (approx.) Index No.	1975 High	1975 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (179)	137.10	−1.9	16.75	6.07	8.95	8.95	139.69	140.07	141.08	141.16	67.26	143.25 (13/11)	61.78 (6/1)	206.57 (4/5/72)	50.71 (17/12/74)
2	Building Materials (30)	151.93	−2.4	13.47	6.35	11.34	11.33	135.16	135.78	137.34	136.59	51.71	158.19 (18/11)	45.11 (6/1)	253.84 (2/5/72)	44.27 (11/12/74)
3	Contracting, Construction (23)	248.42	−1.9	15.04	3.86	10.00	10.00	253.24	253.45	257.35	257.71	76.11	263.54 (12/11)	74.74 (6/1)	389.35 (19/5/72)	71.48 (12/12/74)
4	Electricals (17)	239.66	−1.4	17.02	4.85	8.60	8.60	243.11	245.09	245.74	246.98	102.39	254.66 (18/11)	98.49 (2/1)	350.04 (4/5/72)	34.71 (25/6/62)
5	Engineering (Heavy) (13)	154.67	−1.8	20.93	7.70	7.28	7.28	157.56	158.32	160.83	160.41	76.23	164.07 (19/11)	64.39 (2/1)	202.57 (5/6/75)	64.39 (2/1/75)
6	Engineering (General) (63)	119.34	−1.9	18.46	7.03	8.11	8.10	121.66	121.54	122.05	122.12	52.19	123.15 (13/11)	45.43 (6/1)	168.59 (4/5/72)	45.45 (6/1/75)
7	Machine and Other Tools (9)	49.34	−1.5	17.11	8.53	10.53	10.53	50.10	50.54	50.52	50.91	22.50	50.91 (21/11)	20.11 (2/1)	136.70 (4/5/66)	19.95 (13/12/74)
8	Miscellaneous (24)	116.71	−1.5	17.95	6.78	8.38	8.38	118.44	118.36	119.08	119.39	56.73	121.76 (6/6)	49.65 (6/1)	177.41 (7/4/72)	49.65 (6/1/75)
9	CONSUMER GOODS (DURABLE) (56)	112.42	−1.9	16.47	5.51	9.15	9.14	114.62	115.93	116.82	116.68	45.14	117.43 (18/11)	38.39 (6/1)	227.78 (21/4/72)	38.59 (6/1/75)
10	Electronics, Radio TV etc. (15)	123.88	−1.7	15.26	4.32	9.80	9.79	125.99	127.82	126.62	128.40	49.20	131.94 (10/11)	44.28 (6/1)	257.41 (19/5/72)	42.55 (12/12/74)
11	Household Goods (14)	165.35	−1.0	14.61	6.34	9.92	9.29	166.95	167.18	168.42	167.60	68.46	168.90 (19/11)	64.55 (6/1)	263.22 (4/5/72)	63.92 (17/12/74)
12	Motors and Distributors (27)	66.82	−2.7	19.07	7.01	8.05	8.05	68.68	69.42	70.12	70.19	26.56	70.26 (18/11)	19.91 (6/1)	170.59 (15/1/69)	19.91 (6/1/75)
13	CONSUMER GOODS (NON-DURABLE) (168)	144.86	−2.2	13.62	5.97	10.84	10.74	148.17	148.84	150.29	150.59	66.37	152.28 (18/11)	61.98 (6/1)	226.08 (16/8/72)	61.41 (13/12/74)
14	Breweries (13)	160.54	−1.1	12.77	6.40	11.85	11.85	162.09	162.54	164.19	165.71	75.72	172.53 (12/11)	75.58 (6/1)	281.87 (22/11/72)	69.47 (13/12/74)
15	Wines and Spirits (7)	157.94	−1.1	12.09	6.39	12.56	12.56	159.66	158.54	158.55	165.82	97.00	177.94 (9/7)	80.42 (6/1)	257.40 (13/7/72)	78.81 (13/12/74)
16	Entertainment, Catering (18)	176.23	−2.0	12.35	6.89	12.97	12.36	179.76	179.42	180.17	180.57	82.62	182.86 (12/11)	55.28 (6/1)	329.99 (12/12/72)	54.87 (13/7/74)
17	Food Manufacturing (22)	158.61	−1.9	13.35	5.09	10.48	10.45	161.90	162.97	164.92	165.43	62.58	166.80 (18/11)	62.03 (2/1)	211.65 (1/5/72)	59.78 (11/12/74)
18	Food Retailing (16)	139.97	−3.1	10.93	4.66	13.27	13.27	144.52	146.48	149.51	150.35	55.61	153.66 (10/11)	57.15 (2/1)	235.08 (15/8/72)	54.25 (11/12/74)
19	Newspapers, Publishing (15)	159.66	−1.0	14.30	6.53	10.46	10.46	161.23	161.72	161.34	160.87	64.42	161.72 (25/11)	55.08 (6/1)	350.29 (12/1/72)	55.08 (6/1/75)
20	Packaging and Paper (15)	98.77	−2.0	22.34	7.72	6.66	6.67	100.79	100.93	101.52	101.34	50.26	107.12 (20/5)	43.46 (6/1)	135.69 (20/4/72)	43.46 (6/1/75)
21	Stores (32)	121.62	−3.1	12.29	5.56	12.45	12.45	125.54	126.43	127.95	128.15	58.68	132.94 (24/10)	52.63 (6/1)	204.39 (16/8/72)	52.63 (6/1/75)
22	Textiles (23)	154.40	−2.4	15.70	7.00	8.28	7.78	158.20	159.75	160.34	160.30	65.85	162.58 (12/11)	62.91 (6/1)	253.72 (17/3/65)	62.66 (11/12/74)
23	Tobaccos (3)	208.02	−2.1	16.29	6.48	9.34	9.34	212.57	212.54	214.31	215.02	115.82	218.96 (12/11)	109.92 (6/1)	339.16 (2/8/72)	94.34 (13/6/62)
24	Toys and Games (6)	61.96	−2.1	22.02	6.41	6.31	6.31	63.26	63.68	63.55	63.62	24.82	63.76 (20/11)	20.92 (6/1)	135.72 (16/1/70)	20.92 (6/1/75)
	OTHER GROUPS (93)															
25	Chemicals (24)	188.49	−1.1	14.77	5.11	9.49	9.49	190.68	192.02	193.68	193.12	75.70	193.68 (24/11)	73.14 (6/1)	201.92 (31/1/69)	71.20 (1/12/74)
26	Office Equipment (10)	88.54	−1.5	15.09	5.90	9.29	9.29	89.71	88.88	89.73	90.71	53.71	104.78 (17/4)	45.34 (2/1)	246.06 (1/9/72)	45.34 (2/1/75)
27	Shipping (12)	381.24	−2.8	19.82	6.34	6.45	6.20	392.20	393.97	395.69	397.14	223.57	404.18 (18/11)	194.38 (6/1)	517.00 (6/12/72)	90.80 (29/6/62)
28	Miscellaneous (47)	149.95	−1.6	16.52	6.65	9.08	9.08	152.78	155.10	155.47	155.76	70.70	156.36 (18/11)	60.39 (6/1)	258.83 (2/5/72)	60.39 (6/1/75)
29	INDUSTRIAL GROUP (496)	144.94	−1.9	15.03	5.92	9.75	9.70	147.31	148.46	149.67	149.82	64.57	151.53 (18/11)	59.19 (6/1)	220.17 (1/5/72)	59.01 (13/12/74)
30	OILS (4)	331.17	−0.7	15.67	5.01	7.13	6.58	323.55	326.69	331.96	334.20	123.38	338.18 (18/11)	105.83 (2/1)	431.66 (23/5/69)	87.23 (29/5/62)
31	500 SHARE INDEX	159.62	−1.8	15.13	5.78	9.23	8.98	162.48	163.32	164.86	165.17	69.57	167.07 (18/11)	63.49 (6/1)	227.95 (16/5/72)	63.49 (13/12/74)
32	FINANCIAL GROUP (100)	133.31	−1.7		5.54	—	—	135.55	135.82	137.78	137.90	57.65	148.45 (20/5)	56.50 (6/1)	241.41 (11/4/72)	55.68 (13/12/74)
33	Banks (6)	161.78	−0.5	18.18	4.95	8.43	8.43	162.52	164.58	166.26	165.31	64.86	177.11 (5/6)	62.56 (2/1)	288.32 (20/7/72)	62.44 (12/12/74)
34	Discount Houses (9)	164.01	−1.0	—	7.62	—	—	165.68	164.03	165.76	166.36	85.73	171.13 (18/11)	84.13 (6/1)	293.13 (27/7/72)	81.40 (10/12/74)
35	Hire Purchase (5)	92.80	−2.4	—	6.63	—	—	95.05	95.88	96.74	95.29	60.62	134.39 (10/5)	42.81 (6/1)	433.72 (4/5/72)	38.85 (11/12/74)
36	Insurance (Life) (9)	119.88	−3.9	—	5.70	—	—	124.76	124.47	126.14	126.20	48.78	129.31 (18/11)	44.88 (2/1)	194.46 (15/3/72)	44.88 (2/1/75)
37	Insurance (Composite) (7)	105.43	−1.9	—	6.49	—	—	107.51	107.46	109.09	109.63	46.19	123.90 (20/5)	44.47 (2/1)	155.76 (21/4/72)	45.96 (13/12/74)
38	Insurance (Brokers) (9)	221.45	−2.2	9.42	5.96	15.92	15.92	226.44	226.08	229.51	230.94	73.91	232.39 (12/11)	68.96 (7/1)	262.37 (12/12/72)	65.86 (16/12/74)
39	Merchant Banks (19)	86.22	−2.1	—	5.99	—	—	88.06	87.18	88.19	88.38	38.00	94.97 (7/5)	31.21 (7/1)	278.57 (1/5/72)	31.21 (7/1/75)
40	Property (32)	160.26	−1.3	3.64	3.51	45.15	42.92	162.31	161.93	166.01	166.89	81.60	241.22 (22/4)	88.19 (7/1)	357.40 (9/11/73)	56.01 (20/4/65)
41	Miscellaneous (4)	80.14	−3.8	12.51	6.03	12.78	12.62	80.81	79.84	79.86	79.85	35.84	80.81 (26/11)	34.78 (6/1)	303.13 (13/5/72)	33.29 (17/12/74)
42	Investment Trusts (50)	172.84	−1.0	2.91	4.13	34.33	34.31	174.64	174.30	175.81	176.86	77.61	178.63 (5/6)	73.43 (6/1)	245.79 (25/4/72)	71.63 (13/12/74)
43	ALL-SHARE INDEX (650)	153.75	−1.7	—	5.60	—	—	156.41	157.06	158.67	158.99	67.05	160.63 (18/11)	62.16 (6/1)	228.18 (1/5/72)	61.92 (13/12/74)
	COMMODITY GROUPS (Not included in 500 or All-Share indices)															
44	Rubbers (9)	384.94	−0.6	16.78	8.71	9.10	9.08	387.41	388.30	398.93	398.10	292.86	525.43	281.66 (2/1)	555.37	54.68
45	Teas (10)	109.69	−0.3	42.18	9.61	3.47	3.39	109.37	109.37	110.56	110.48	75.77	124.57	76.76	124.57	59.72 (17/10/74)
46	Coppers (3)	260.68	−2.4	40.35	6.59	2.16	2.16	267.01	274.01	270.84	258.61	373.97	467.74	253.37	567.76	94.08
47	Mining Finance (11)	108.68	−0.7	11.05	4.70	10.24	10.24	109.49	109.15	109.16	109.39	93.33	141.34	80.58	175.90	66.31
48	Tins (8)	97.11	−0.7	12.52	9.22	10.71	9.81	97.55	97.48	96.32	96.74	59.57	114.49	58.91	125.43	54.83 (27/5/71)
49	Overseas Traders (13)	214.75	−2.0	15.61	4.86	8.20	8.19	219.17	220.16	232.44	220.82	—	253.23 (30/5)	97.57 (6/1)	252.26 (20/5/75)	97.37 (6/1/75)

	FIXED INTEREST	Thurs. Nov. 27 Index No.	Thurs. Nov. 27 Yield	Wed. Nov. 26	Tuesday Nov. 25	Monday Nov. 24	Friday Nov. 21	Thurs. Nov. 20	Wed. Nov. 19	Tuesday Nov. 18	Year ago (approx.)	1975 High	1975 Low	Since Compilation High	Since Compilation Low
1	Consols 2½% yield	—	14.80	14.79	14.79	14.72	14.76	14.76	14.75	14.75	16.94	—	—	—	—
2	20-yr. Govt. Stocks (6)	46.75	15.88	46.75	46.61	46.59	46.62	46.62	46.63	46.58	41.18	55.09	38.27	115.42	38.27
3	20-yr. Red. Deb. & Loans (15)	46.18	15.93	46.07	46.07	46.00	46.00	46.03	46.11	46.08	37.43	50.68	37.01	113.43	37.01
4	Investment Trust Prefs (15)	46.52	14.87	46.62	46.57	46.57	46.48	46.43	46.48	46.77	34.60	47.30	36.35	114.41	34.45
5	Coml. and Indl. Prefs. (20)	64.16	14.71	64.23	64.36	64.42	64.50	64.68	64.44	65.07	49.25	68.02	47.67	114.95	47.67

Section or Group	Base Date	Base Value	Section or Group	Base Date	Base Value
Overseas Traders	31 12 74	100.00	Miscellaneous Financial	31 12 70	128.06
Engineering (Heavy)	31 12 71	153.84	Food Manufacturing	29 12 67	114.13
Engineering (General)	31 12 71	153.84	Food Retailing	29 12 67	114.13
Wines and Spirits	16 1 70	153.77	Insurance Brokers	29 12 67	96.67
Toys and Games	16 1 70	135.72	Mining Finance	29 12 67	100.00
Office Equipment	16 1 70	128.20	All Other	10 4 62	100.00
Industrial Group	31 12 70	128.20			

† Redemption yield. Calculated by Exchange Telegraph Communications Limited (a member of the Exchange Telegraph Group) on an IBM 370 computer. A list of the constituents of the FT-Actuaries Share Indices is now available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by inland post 18p. FT-Actuaries indices are [illegible].

ACTIVE STOCKS

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1975 high	1975 low
Brit. H. Sts. 'New'	Nil/pd.	16	57*	−11	76*	57*
ICI	£1	16	312	−3	323	118
Lonrho	25p	11	120	−1	139	68
Marks & Spencer	25p	11	99	−2	128	47½
Midland Bank	£1	11	282	−5	308	122
Babcock & Wilcox	25p	10	64	−1	76	25½
BP	£1	10	560	−8	598	190
Distillers	50p	10	127½	−1½	130	65½
Royal Insurance	25p	10	305	−3	320	106
"Bats"	25p	9	320	−3	338	164
Cons. Gold Fields	25p	9	201	−3	290	188
GKN	£1	9	251	−6	277	95
Rank Org. 'A'	25p	9	157	−2	205	78
Reed Intl.	£1	9	232	−6	297	124
Shell Transport	25p	9	370	—	374	118

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (e).

* Premium.

Option Report—3-month Call rates

OPTION DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Nov. 25	Dec. 8	Feb. 19	Mar. 2
Dec. 9	Dec. 22	Mar. 4	Mar. 16
Dec. 23	Jan. 6	Mar. 18	Mar. 30

"Calls" were dealt in House of Fraser, Marchwiel, Lubok, Bond Worth, Hoveringham Gravel, Ibstock Johnsen, Dufay, Braby Leslie, Francis Parker, British Land, Furness Withy, Combined English Stores, Currys and EMI. "Puts" were done in Fairey and Charterhall Finance, while "doubles" were arranged in Fairey, Marchwiel and British Land.

Industrials		Guardian	20	Spillers	5	Shell	28
A. P. Cement	15	G.E.N.	22	Tesco	6	Ultramar	20
Assoc. Leisure	[illegible]	Hawker Sidd.	27	Thorn "A"	20		
Barclays Bank	25	House of Fraser	[illegible]	Trust Houses	[illegible]	Mines	
Beecham	[illegible]	[illegible]	[illegible]	Tube Invest.	[illegible]	Anglo Amer.	[illegible]
Boots Drug	12	I.C.I.	7	Unilever	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	Utd. Drapery	10	Charter Cons.	[illegible]
				Vickers	13	Chart'rh'll Fin.	6
Bowaters	16	Inveresk	7	Williams Hud'n	4	Cons Gold	18
B.A.T.	30	Legal & General	13	Woolworths	6	De Beers Def.	35
British Leyland	7	Ladbroke	11			F.S. Geduld	350
BICC Int.	5½	Lloyds Bank	22	Property		Great Boulder	12
Burton 'A'	7	"Lots"	5½	Amal. Inv.	4	Hampton Areas	14
Cadburys	6	"Mams"	6	Brit. Land	54	Hampton Prop.	4
Courtaulds	11	Marks & Spncer	11	Cap. Counties	4½	Kloof	140
Debenhams	8	Midland Bank	25	E.P.	8	Lonrho	13
Distillers	13	Nat'l West Bank	22	Land Securities	18	Loraine	55
Dunlop	6½	"do" Warrants	10	MEPC	9	Poseidon	55
Eagle Star	13	P & O Dfd.	11	Peachey	6	Pres. Steyn	275
E.M.I.	17	Plessey	8	Town & City	4½	Rio T.Zinc	20
Gen. Accident	16	R.H.M.	6	Town & Comm.	4	Welkom	65
Gen. Electric	13	Rank Org. 'A'	16			West Areas	75
Glaxo	35	Reed Int'l	23	Oils		Western M'ng	18
Grand Met.	7	Rothmans	4	Brit. Petroleum	42		
G.U.S. 'A'	17	Slater Walker	5½	Burmah Oil	4		

NEW HIGHS AND LOWS FOR 1975

The following securities (numbers* in parentheses) among those quoted in the Share Information Service yesterday attained new highs and lows for 1975.

NEW HIGHS (36)

CORPORATION LOANS (1)
Bristol 6½pc 1975-77

AMERICANS (2)
Gillette Woolworth (F. W.)

BANKS (1)
Nat. Bk. Australasia

BUILDINGS (3)
Ang. Am. Asphalt Henderson 'A'
French Kier

STORES (2)
Amber Day Midland Edu. Tst.

ENGINEERING (4)
Braithwaite Thomas Foundries
Firth (G. M.) Wolseley Hughes

FOODS (6)
Barr (A. G.) Morrison (W.)
Bishop's Stores Sanger (J. E.)
Do. 'A' Squirrel Horn
Fox's Biscuits Tavener Rutledge

INDUSTRIALS (1)
Airfix N-vtg.

MOTORS (2)
Flight Refuelling Cowie (T.)

NEWSPAPERS (2)
BPM Hlds. 'A' Lloyd Daily Post

PROPERTY (1)
Town Centre

SHIPPING (2)
Mersey Docks Units Runciman (W.)

TEXTILES (4)
Dawson Intl. Nova (Jersey) Kt.
Do. 'A' Stirling Knitting

TRUSTS (1)
Tor Inv. Cap.

OILS (1)
Sunningdale Oils

RUBBERS (1)
Malakoff

NEW LOWS (14)

FOODS (1)
Hazlewoods (Prov.)

INDUSTRIALS (1)
Cuthbert (R. G.)

PROPERTY (1)
Land Secs. 10pcCnv. 1993

SHIPPING (1)
Sheaf Steam

TRUSTS (2)
Malik Secs. Lubok Inv.

TEAS (1)
Central Prov.

MINES (7)
Harmony Unisel
Winkelhaak Sungei Besi
Doornfontein Botswana RST
Libanon

RISES AND FALLS YESTERDAY

RISES AND FALLS YESTERDAY	Up	Down	Same
British Funds	3	14	38
Cpn. Dom. and Foreign Bonds	11	3	57
Industrials	127	663	941
Financial and Prop.	29	222	336
Oils	8	6	19
Plantation	5	7	35
Mines	10	58	84
Recent Issues	2	18	23
Totals	195	998	1,593

BASE LENDING RATES

AFI International
Allied Irish Banks Ltd.
Anglo-Portuguese Bank
Henry Ansbacher
Banco de Bilbao
Banco de Jerez
Bank of Cyprus
Bank of N.S.W.
Banque du Rhone S.A.
Barclays Bank
Barnett, Christie Ltd.
Bremar Holdings Ltd.
Brit. Bank of Mid. East
■ Brown Shipley
Cayzer, Bowater Co. Ltd.
Cedar Holdings
■ Charterhouse Japhet
C. E. Coates
Consolidated Credits
Co-operative Bank
Copleys Bank
Corinthian Securities
Credit Lyonnais
G. R. Dawes
Duboff Brothers
Duncan Lawrie
English Transcont.
First London Secs.
■ Antony Gibbs
Goode Durrant Trust
Greyhound Guaranty
Grindlays Bank
■ Guinness Mahon
■ Hambros Bank
Hawtin & Partners
■ Hill Samuel
C. Hoare & Co.
Julian S. Hodge
Industrial Bank of Scot.
Keyser Ullmann
Knowsley & Co. Ltd.
Lloyds Bank
London & European
London Mercantile
Midland Bank
■ Samuel Montagu
■ Morgan Grenfell
National Westminster
Northern Comm. Trust
Norwich General Trust
Portman Guaranty
P. S. Refson & Co.
Rossminster Accept'cs
Royal Trust of Canada
Schlesinger Limited
E. S. Schwab
Security Trust Co. Ltd.
Shenley Trust
Standard Chartered
Sterling Credit
Thames Guaranty
Trade Development Bk.
Twentieth Century Bk.
United Bank of Kuwait
Whiteaway Laidlaw
Williams & Glyn's
Yorkshire Bank

■ Members of the Accepting Committee.
* 7-day deposits 7%, 1-month 7¾%.
† 7-day deposits on sums of £10,000 and under 7%, up to £25,000 7¼%, over £25,000 8¼%.
§ Demand deposit 8¼%.

CORAL INDEX
Close 359-364

I.G. INDEX
GOLD 137½-140½

INSURANCE BASE RATES
† Atlantic Assurance
† Cannon Assurance
† Address shown under Insurance and Property Bond table.

MONEY MARKET

Very large assistance

Bank of England Minimum Lending Rate 11¾ per cent. (since November 14, 1975)

Day-to-day credit was in short supply again in the London money market yesterday and the authorities gave a very large amount of help by buying Treasury bills from the discount houses and banks and also Corporation bills from the houses. Banks carried forward run-down balances, there was a net market take-up of Treasury bills to finance, official holdings of maturing local authority bills were also against the market, as was settlement of gilt-edged sales. On the other hand Government disbursements exceeded revenue payments to the Exchequer and a fall in the note circulation was also in the market's favour.

Discount houses paid 11¼-11¾ per cent. for secured call loans in the early part and closing balances were taken at around 10¾-11 per cent.

In the inter-bank market overnight loans commanded 11¼-11¾ per cent. at the start and touched 11¾-12 per cent. after lunch, before closing at 11-11¼ per cent.

Short-term fixed period interest rates were slightly firmer in places.

Rates in the table below are nominal in some cases.

Nov. 27 1975	Sterling Certificates of deposits	Interbank	Local Authority deposits*	Local Auth. negotiable bonds	Finance House deposit	Company deposits	Discount market deposits	Treasury bills ♦	Bank bills ♦	Fine trade bills ♦
Overnight	—	11-12	—	—	—	12-15	10¾-11¼	—	—	—
2 days notice	—	—	11½-11¾	—	—	—	—	—	—	—
†7 days or 7 days notice	—	11⅝-11⅞	11⅝-11¾	—	—	—	11⅝-11⅝	—	—	—
One month	11⅜-11⅝	11¾-11⅞	11⅞	11½-11	11½-12½	—	11-11¼	11-10⅞	11¼-11⅛	11½
Two months	11⅜-11⅝	11½-11⅞	—	11½-11	11½-12½	—	11	11	11-1⅛11	11½
Three months	11⅜-11⅝	11⅝-11⅞	11⅝-11½	11½-11	11½-12½	—	10⅞-11	11	11⅛-11	11⅝
Six months	11⅜-11⅝	11½-11⅞	11⅝-11½	11½-11	11½-12½	—	—	—	11⅛-11	12
Nine months	[illegible]	[illegible]	—	[illegible]	[illegible]	—	—	—	—	—
One year	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	—	—	—	—	—
Two years	—	—	[illegible]	[illegible]	—	—	—	—	—	—

* Local authority and finance houses seven days' notice, others seven days' fixed. † Long-term local authority mortgage rate nominally three years 12½-13 per cent.; four years 13½-13½ per cent.; five years 13½-14 per cent. ♦ Bank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills [illegible] per cent.; four-month trade bills [illegible] per cent. Approximate selling rates for one-month Treasury bills [illegible] per cent.; two-month [illegible] per cent.; and three-month [illegible] per cent. Approximate selling rate for one-month bank bills [illegible] per cent.; two-month [illegible] per cent.; and three-month [illegible] per cent.; one-month trade bills [illegible] per cent.; two-month [illegible] per cent.; and three-month [illegible] per cent.

Finance House Base Rate (published by the Finance Houses Association) 11½ per cent. from November 1. Clearing Bank Deposit Rates for small sums at seven days' notice 7 per cent. Clearing Bank Rates for lending 11 per cent. Treasury Bills: Average tender rates of discount 11.0353 per cent.

AUTHORISED UNIT TRUSTS

[illegible]

INSURANCE, PROPERTY, BONDS

[illegible]

OFFSHORE AND OVERSEAS FUNDS

[illegible]

REGIONAL MARKETS

…owing the merger last year of U.K. stock exchanges, a selection of the share …reviously shown under regional headings is presented below with quotations …don. Irish issues, most of which are not officially listed in London, are …eparately and with prices as on the Irish exchange.

…Inv. 20p	16	......	Craig Ship. £1	330	......	Shiloh Spinn	25	+2
…nning	29	......	Hallam Sleigh 10p	6	......	Sindall (Wm.)	50	......
	21	......	Higsons Brew.	92	......			
…Est. 50p	130	−5	I.O.M. Stm. £1	120	......	IRISH		
…roft	35	......	Holt (Jos.) 25p	260	......			
…Rose £1	315	......	Kleen-e-Ze	17	......	Alliance Gas (£1)	75xd	......
…R.A.)	30	......	Lovell's Ship £1	95	......	Carroll (P. D.)	130	......
…McHdy.	76	......	N'thn. Goldsmith	90	......	Clondalkin	52	−1
…Yk 10p.	36	......	P.M.A.	37	......	Concrete Prods.	85	......
	9	......	Pearce (C. H.)	80	......	Goodbody (£1)	24	......
…rge	44	......	Peel Mills	12	......	Helton (Hldgs.)	28	......
…Ag. 5p	16	......	Richards 10p	12	......	Irish Distillers	74	......
…red 50p	115	......	RobbCaledonSh.	37	−4	Irish Wire	40	......
…r & Sons	11	......	Sayers 12½p	8	......	Jacob	67	......
…r (L.)	67	......	Sheffield Brick	65	......	Sunbeam	18	......
			Sheff. Refrshmt.	141	......	Unidare	63	......

…OOD PRICE MOVEMENTS

	Nov. 27 £	Week ago £	Month ago £
…ON			
Danish A.1 per ton†	955	955	930
British A.1 per ton†	945	945	930
Irish Special per ton†	940	940	930
Polish A.1 per ton†	—	—	—
Ulster A.1 per ton§	945	945	930
…TER (packet)			
NZ per 20 lbs†	7.61- 7.67	7.61- 7.69	7.43- 7.48
English per cwt†	45.39-47.77	45.39-47.7	45.39
Danish salted per cwt†	46.63-47.55	46.63-47.55	45.63-46.54
…ESES§			
English cheddar white rindless per tonne	—	—	—
NZ per tonne	824	824	780.5
…S*			
Home-prod. Standard	2.85- 3.00	2.70- 2.85	2.60- 2.80
Large	3.05- 3.20	2.90- 3.10	2.85- 3.00
	Nov. 27 per pound	Week ago per pound	Month ago per pound
…F	p p	p p	p p
Scotch killed sides ex KKCF	34.0—37.5	34.0—37.0	31.0—34.0
Eire forequarters	26.0—28.0	26.0—28.0	25.0—27.0
Argentine chilled rumps	—	—	—
…IB			
English	30.0—34.0	31.0—34.0	30.0—33.0
NZ 2s-Ds	30.0—33.0	30.0—33.0	29.0—31.5
K (all weights)	28.5—39.5	27.5—39.5	26.0—39.0
…TON			
English ewes	—	14.0—15.5	13.0—16.0
…LTRY			
Broiler chickens	21.0—26.0	21.0—26.0	21.5—26.5

* London Egg Exchange price per 120 eggs. † Delivered. …r delivery November 29-December 6.

Slimma Group Limited

Main points from the Statement of the Chairman, Jessel Harrison, for the year to 30th June, 1975.

- Record Group trading profits before tax and before a special appropriation have been achieved at £958,000 compared with £823,000 last year.
- The Directors recommend a final dividend of 5.651% making 7.883% which is the maximum amount permitted under the present Counter Inflationary Rules.
- The dividend is covered 5.0 times compared with 4.4 times last year.
- Earnings per share have increased from 8.2p to 10p.
- New factory space, plant and machinery have been financed from the Group's own resources.
- This performance has been enhanced by a further improvement in our cash flow position, which gives additional strength to our overall financial position.
- After five months trading of the current year, sales are satisfactory with a healthy order book in all divisions.

Copies of the Annual Report and Chairman's Statement can be obtained from: The Secretary, Slimma House, 8/14 Woodstock Street, London W1R 2LP.

Slimma Group

FT SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

Five to Fifteen Years

Over Fifteen Years

Undated

INTERNATIONAL BANK

CORPORATION LOANS

COMMONWEALTH & AFRICAN LOANS

LOANS (Miscel.)

FOREIGN BONDS & RAILS

US $ DM Prices exclude inv. $ premium

AMERICANS

S.E. List Premium 64¼% (based on $2.0301 per £)

CANADIANS

S.E. List Premium 64¼% (based on $2.0315 per £)

Conversion factor 0.6085 (0.6033)

BANKS AND HIRE PURCHASE

Hire Purchase, etc.

BEERS, WINES AND SPIRITS

BUILDING INDUSTRY, TIMBER & ROADS

BUILDING INDUSTRY—Continued

CHEMICALS, PLASTICS

CINEMAS, THEATRES AND TV

DRAPERY AND STORES

DRAPERY AND STORES—Continued

ELECTRICAL AND RADIO

ENGINEERING, MACHINE TOOLS

ENGINEERING—Cont.

FOOD, GROCERIES, ETC.

HOTELS & CATERERS

HOTELS—Continued

INDUSTRIALS (Miscel.)

INDUSTRIALS—Continued

INDUSTRIALS—Continued

INSURANCE

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING, ADVERTISING

PROPERTY

PROPERTY—Continued

SHIPBUILDERS, REPAIRERS

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

TRUSTS—Continued

Trusts, Finance, Land, etc.

OILS

OVERSEAS TRADERS

RUBBERS AND SISALS

TEAS

India and Bangladesh

Sri Lanka

Africa

MINES

CENTRAL RAND

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
£14¼	250	Durban Deep R1	290	......	‡Q119c	ϕ	‡
£14	520	E. Rand Prp. R1	550	−20	‡Q115c	ϕ	‡
105	24	Rand Leases 2½c	25	......	—	—	—
£34½	£15¾	Randf'tn Est. R2	£15¼	−½	—	—	—
500	130	West Rand R1	140	+5	‡Q40c	1.3	‡

EASTERN RAND

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
370	65	Bracken R1	174	−4	Q52c	ϕ	16.5
23	5	Daggafontein 50c	11	......	—	—	—
105	35	East Dag R1	35	......	‡Q25c	ϕ	‡
—	—	Gvnt Areas 5c	140#	......	—	—	—
380	115	Grootvlei 30c	115	−3	‡Q32c	1.1	‡
820	385	Kinross R1	410	−5	Q54c	ϕ	7.3
090	62	Leslie 70c	64	......	Q19c	ϕ	15.5
550	165	Marievale 70c	155	......	‡Q34c	1.1	‡
725	180	S. African Ld 35c	190	......	‡Q25c	1.3	‡
265	82	Vlakfontein R1	95	−5	‡Q15c	1.3	‡
£13¾	700	Winkelhaak R1	700	−5	Q103	ϕ	8.5
120	36	Wit. Nigel 25c	36	......	—	—	—

FAR WEST RAND

O.F.S.

FINANCE

DIAMOND AND PLATINUM

CENTRAL AFRICAN

AUSTRALIAN

TINS

COPPER

MISCELLANEOUS

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures; they are adjusted to ACT of 35 per cent. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields, assuming maintenance of net dividends on current rate of ACT, are based on middle prices, are gross and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- Δ Sterling denominated securities which include investment dollar premium.
- • "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents.
- ϕ Figures or report awaited.
- †† Banks and Insurance, reserve allocations may preclude calculation of dividend cover.
- # Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ** Free of Stamp Duty.
- ♦ Merger bid or reorganisation in progress.
- ♦ Not comparable.
- ♦ Same interim, reduced final and/or reduced earnings indicated.
- § Based on 1973 profits.
- † Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ♦ Regional price.
- ‖ No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. q Earnings based on preliminary figures. r Australian currency. s Dividend and yield exclude a special payment. t Indicated dividend, cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Issue price. G Assumed dividend and yield after pending scrip and/or rights issue. H Figures based on prospectus or other official estimates for 1974-75. Q Gross. T Figures assumed. U No significant Corporation Tax payable. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

"Recent Issues" and "Rights" Page 21

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £325 per annum for each security

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FINANCIAL TIMES

Friday November 28 1975

BELL'S SCOTCH WHISKY Afore ye go

STOP-LOSS PROVISION AS 900,000 SHARES ARE SOLD

SWS incentive scheme changed

BY MARGARET REID

SOME 900,000 shares of Slater Walker Securities were sold between April 17 and November 5 *this year on behalf of certain* directors and executives of the group following a hitherto secret arrangement introducing a "stop-loss" *provision into the share* incentive scheme.

The shares, disposed of, amounting to some 1¼ per cent. of the present capital of nearly 75m. shares, were sold during a period when the share price was falling from 100p to 28p. Sales of 26,000 shares each were made in respect of two directors, Mr. Michael Booth and Mr. Ian Wasserman.

Some of the options had been taken up when SWS shares stood as high as 292p in the earlier *1970s. The steady decline in the* share price over the past two years had led the Board to introduce, in April, 1975, the "stop-*loss" element, without which a* number of the SWS senior personnel would ultimately have faced an expensive liability to *pay for their partly-paid "incen*tive scheme" shares—originally acquired for a mere 2½p each—at a cost far beyond that recently *prevailing in the market.*

The succession of share sales, carried out as the market price was falling, have come to light following the completion of a special independent investigation of the scheme by solicitors Eric Levine and Co. this month at the request of the new SWS chairman, Mr. Jimmy Goldsmith, who succeeded Mr. Jim Slater on October 24.

The crucial April amendment to the incentive scheme bringing in the "stop-loss" provision and so opening the way for the sales without loss to the persons concerned, was not publicly announced at the time or afterwards. But Levine have reported to the reshaped Board that, from their limited inquiry, there is no evidence of breach by any of the SWS directors of their fiduciary responsibility to SWS in con*nection* with the scheme's amendment or the disposal of shares by directors.

Under the original incentive scheme, approved by shareholders in 1970, executives were entitled to subscribe over a future period for shares at a price *linked* to that in the market when the option was granted, only 2½p per share being payable meanwhile. In all, 1,477,428 scheme shares were created, mostly at subscription prices above 107p and some as high as 292p.

When it became apparent in the adverse conditions of the past two years, that the share price, so far from rising steadily, and enabling participants to obtain a profit, was falling, the period of subscription was first extended, in 1974, from three to six years.

Then under the later "stop-loss" arrangement, it was made *possible for participants to take* up their shares, in fully-paid saleable form, at a price close to the market price at which the *shares* were, *almost* simultaneously, sold. The participant was thus relieved of a potentially heavy liability ultimately to *subscribe at a higher price.*

At the same time, the result was a flow of new paid-up shares on to the market which would have a depressing influence on the share price, although shareholders had not been told of the arrangement. Because of the need, in difficult market conditions, to phase share sales under the amended scheme, a programme of disposals was conducted through a private company, St. Paul's Guarantee Corporation, of which Mr. Colin McInnes SWS' company secretary, Mr. Robin Whitten, and Mr. J. A. T. Wedgwood are the directors

Not all the shares which participating holders have wanted to sell this year have yet been disposed of. Of the 1,477,428 scheme shares, 1,060,638 have *been sold, including 157,263 dis*posed of before August 1974.

The amendment to the share incentive scheme, whose provi*sions were altered in April to* prevent its becoming a very onerous disincentive plan for the SWS directors and staff con*cerned, were adopted after the* taking of professional advice. The Inland Revenue was also consulted. *It is believed to have* been intended that the changes would be disclosed in the next annual report of the group, for the calendar year 1975.

Details of the amended scheme, as described in the report by Eric Levine and Co., were made available by Mr. Goldsmith to the Stock Exchange two days ago.

Asked yesterday why the important "stop-loss" change to the incentive scheme which prepared the way for a substantial number of new fully-paid shares to be issued and sold was not made public at once, a spokesman for SWS made the following comment last night:

"While it might have been *preferable for the amendment* of the scheme to have been announced at the time it was varied, the directors acted in *accordance with the advice they* received which was to announce it at the time of the annual report.

"*The increases in issued fully-*paid share capital were regularly notified to the Stock Exchange when *application* was made for their quotation."

Although the share incentive scheme was for executives, certain *participants in it sub*sequently became directors and were able to continue in it.

It is *understood* that the question of the taking up and subsequent sale of their shares by certain directors in this posi*tion was specially considered,* after the "stop-loss" amendment was made to the scheme.

It is believed that at a management meeting on July 7 it was agreed that no sales on behalf of directors should take place in the time before the issue of the group's interim report.

After the half-year report was *issued on* August 19, it was decided that directors' shares under the scheme could be sold without any implication of "*insider trading.*"

Apparently it was desired to sell 134,797 shares on behalf of directors: under the phased programme of sales which was used, fewer than these appear to have been sold to date. Apart from the sales on behalf of Mr. Booth and Mr. Wasserman, 5,000 were sold for Mr. John O'Donnell. It is understood that no material gain accrued to any of them.

It has been made clear that, at the SWS Board meeting approving the stop-loss scheme, *directors* who were interested as participants in the scheme, declared their interest and did not vote. Mr. Jim Slater and Mr. *J. H. Buckley were the only* directors at the meeting to vote on the scheme.

Hong Kong police expected

TWO senior officers of the Hong Kong police are to arrive in London this morning to continue their inquiries into the Singapore company, Haw Par Brothers International and certain companies formerly related to SWS.

The officers are Senior Superintendent Peter Wassell and Chief Inspector Paul Bailey, both of the Commercial Crime Office of the Royal Hong Kong Police.

They will be in touch with senior Scotland Yard officers, as visitors from overseas police forces frequently do when visiting Britain.

THE LEX COLUMN

ICI ahead of the recovery

The market was *already* sagging before the ICI figures, and by the end of the day both the 30-Share and the All-Share Indices had slipped back below their mid-summer peaks. ICI, 3p lower at 312p, provided no encouragement. Before tax *and* grants, profits have slipped from £78m. in the second quarter to £66m. in the third—and the latest figures consolidate £13m. of currency gains on overseas working capital. Pre-tax margins *have slumped back to early* 1972 levels, and on a CPP basis the group has only been breaking even over the past six months.

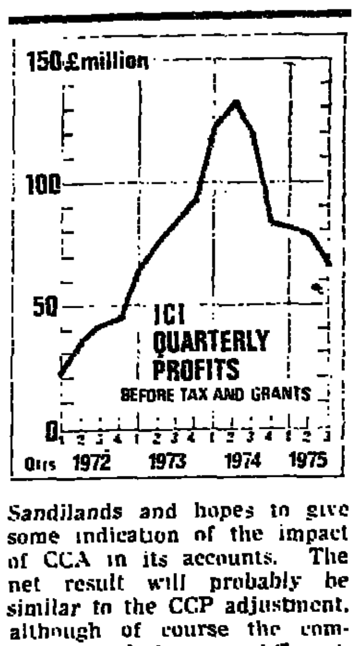
But it is still reasonable to assume that the worst is now over. The third quarter is seasonally the weakest, and June's settlement added an *annual £120m. to the* U.K. *wage* bill. July and August were very poor months, but activity picked up in September and the trend has continued. Bayer AG told a similar story yesterday: after reporting third quarter profits *in line with the second, it said* that volume had subsequently improved more or less across the board.

Both groups are hesitant about the strength of the recovery, which has yet to be reflected widely in prices. But the background clearly has improved in areas like fibres—*where ICI has made sizeable* losses so far this year—and this will be reflected in the final quarter, since for the first time the European subsidiaries are being consolidated on a calendar year basis rather than three *months in arrears. In addition,* currency movements will have as big an impact on the fourth quarter as in the third.

So profits of £300m. or a bit more are still in sight this year, which means that the substantial liquid resources are not going to be that much reduced. Fixed asset spending will total around £350m., working capital requirements are relatively modest, and net cash flow may be around £300m. Published earnings may emerge at about 38p per share, and even if ICI fell in line with the account*ants' ideas about the treatment* of initial allowances the p/e (like the yield) would be broadly in line with the industrial averages. Ahead of what ought to be a substantial recovery in 1976, these figures should not *be a lasting* threat to ICI's relative share price strength.

Incidentally, ICI approves of

Index fell 7.2 to 360.3



Sandilands and hopes to give some indication of the impact of CCA in its accounts. The net result will probably be *similar* to the CCP adjustment, although of course the components will be very different.

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NCB

Despite a 40 per cent. rise in costs last year National and Commercial Banking has *managed to hold operating pro*fits almost unchanged at £42.3m., and has achieved the kind of small improvement between the two latest consecutive half years that most of the Big Four showed in their January-July figures. But the scars of FNFC, Northern Developments, Cripps Warburg *and the rest show up in* additional provisions of £10m., the same as for 1973-74. With associates well down, pre-tax profits are a tenth lower for the year: there is still, however, cover of 3.6 times for a dividend increased by the maximum amount.

Of the two components of NCB the Royal Bank of Scotland continues to show more underlying buoyancy, reflecting *the much more favourable* volume trend in Scottish banking as a whole. Thus average resources were 24 per cent. higher for RBS, against only a 6 per cent. gain at Williams and Glyn's. Loan demand from whisky distillers and North Sea-related industry has provided the momentum here. Lending *remains flat at W. and G.,* although the English bank has benefited from the strength of retail deposits.

From now on costs sho[uld] flatten out a little. The sec[ond] half already bore a partial [bur]den from the recent sal[ary] awards, *and pension* costs [at] 29 per cent. of the salary b[ill] should now be stabilised a[s a] proportion because the gr[oup] has largely switched to an e[ffec]tive pay-as-you-go basis. Me[an]while banking margins h[ave] *continued* to widen since [the] year-end, and base rate has [re]turned to 11 per cent. aga[inst] the 9.8 per cent. averaged d[ur]ing the second six mon[ths] ended September.

Unfortunately it looks m[ore] *probable than not that* furt[her] special provisions will [be] needed. And margins might [not] hold up in the face of more [ac]tive competition for deposits [in] reviving economic conditi[ons] next year. Nevertheless clear[ing] *bank profits should start* m[ov]ing upwards and on yield a[nd] p/e NCB's shares are right [in] line with the sector at 68p.

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Lonrho

Lonrho's 1974-75 pr[ofits] growth—34 per cent. to £20[...] at the net attributable le[vel] is right in line with the [...] months performance but [...] upturn may have been confi[ned] *to a fairly limited* number [of] trading areas. Thus acquisitio[ns] account for a sizeable slic[e of] the £15.5m. rise in profits be[fore] tax, sugar has had a good [...] and the general trading op[era]tions may have produced [an] extra *£8m. or so. Still,* [the] group continues to look [for] further solid growth this y[ear.] At 120p the shares are a qua[rter] below the 1975 peak and ca[pital]ised at £125m.: the dispos[al of] large lines of stock have [been] a problem recently but mo[st of] these could now have [been] shaken out.

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Bowring

With an *effective* conve[rsion] price of 100p a share ag[ainst] 72p in the market, there w[as a] *real possibility that* Bowr[ing's] £25½m. Convertible would [have] had to be redeemed at pa[r in] 1981. But now the group is [pro]posing to drop the conver[sion] price to 69p, *boost the* inc[ome] by half, and extend the lif[e to] 1987. In the process, the *nomi[nal]* value will be reduced by [a] quarter, but this is no Sl[ater] Walker situation and the [...] trust deed will be identica[l in] its borrowing constraints.

See also Page 20

Left-wing MPs take a beating

BY PHILIP RAWSTORNE

*LEFT-WING LABOUR MPs suf*fered a crushing defeat last night in elections to the Parliamentary Labour Party's influential liaison committee.

The Manifesto Group of moderates and Right-wing MPs took all six back-bench places on the committee, which forms a crucial link between the party rank and file at Westminster and *the Cabinet.*

The results were seen as a powerful demonstration of support from the Labour back benches for the Government's economic policies. Only 33 of the 260 Labour MPs outside the Government did not vote.

Mikardo out

Three left-wing members of the party's national executive were among the Tribune group candidates who were defeated—Mr Eric Heffer, the former Industry Minister, and Mr. Frank Allaun and Mr Ian Mikardo, who were seeking re-election.

Their rejection was also being interpreted as strong backing for Mr Harold Wilson's claim on Wednesday that Labour MPs were becoming increasingly disenchanted with the activities of the left-dominated national executive in continually criticising and opposing Government policy.

The Prime Minister's speech to the NEC was said to have been a decisive factor in the back-bench voting.

With the liaison committee—the main channel of opinion between back-benchers and Cabinet—now packed with moderate sympathisers, Mr. Wilson should find it easier to carry the PLP with the Government through the inevitable policy difficulties of the coming year.

But there are dangers that the election, by isolating the Left-wing of the PLP, will accentuate the Left-Right divisions within the party, which Mr. Wilson warned on *Wednesday* could lose Labour the next General Election.

The defeat of the usually *better organised Left-wing last* night was total.

Mr. Fred Willey, a former Minister and MP for Sunderland North, topped the poll with 110 votes and automatically takes over the post of vice-chairman of the PLP.

Mr. Joe Ashton, a member of the Tribune group and Parliamentary Private Secretary to Mr. Anthony Wedgwood Benn, came bottom of the list with only 27 votes, in spite of his personal popularity at Westminster.

The Manifesto Group's other successful candidates, with Mr. Willey, were Dr. Dickson *Mabon (Greenock), Mr. Jim* Wellbeloved (Erith and Crayford), Mr. John Horam (Gateshead West), Mr. Philip *Whitehead (Derby North) and* Mr. John Tomlinson (Meriden). The last three are newcomers to the committee, replacing Mr. Allaun and Mr. Mikardo and Mr. Tam Dalyell, a moderate man who did not stand for re-election.

Mr. Mikardo, whose candidature was said to have been seriously damaged by his public row with Mr. Jack Jones, the transport workers' leader, over the Government's pay policy at the party conference in Blackpool, slumped to 10th place in the list of 14.

Other members of the Tribune group who failed to secure election were the group's former chairman, Mr Sydney Bidwell, one of its leading critics of the Government's economic policies, Mr. Norman Atkinson and Miss Jo Richardson.

GKN move to control Sachs

By Peter Foster

GUEST, KEEN and Nettlefolds—Britain's largest engineering company—hopes to take *a big step towards expanding* its European motor component activities with the acquisition of a controlling interest in Sachs *of West Germany.*

The Sachs Group—it is privately controlled — manufactures mainly clutches, shock absorbers and hubs, most of which are non-competitive with the products of GKN, which already has an interest in West Germany in Uni-Cardan of Lohmar, a manufacturer of universal joints and propeller shafts.

The proposed acquisition of "well over 50 per cent." of the German group—which last *year had a turnover of* DM1,000m. and earned post tax profits of around DM42m.—will reinforce GKN's position as *Europe's largest motor com*ponent manufacturer.

GKN's Board announced yesterday that it had reached agreement "in principle" for the acquisition for cash of a controlling interest in the company and although it would not reveal the price, said that it planned to raise the money through a Euroloan.

In addition to automotive products, Sachs manufactures bicycles, mopeds and motorcycles as well as stationary motors and small engines. Its powerful position in Continental Europe will give GKN a much larger interest in automobile markets which are now showing signs of recovery from the slump in sales brought about by the energy crisis.

Leslie Murphy No. 2 at NEB

BY ADRIAN HAMILTON

THE GOVERNMENT has appointed a leading City figure, Mr. Leslie Murphy, deputy chairman of Schroders, as full-time deputy chairman of the National Enterprise Board.

In a statement yesterday, Mr. Eric Varley, Industry Secretary, also added two industrialists, Mr. W. B. M. Duncan, a director of ICI, and Mr. J. L. Dickinson, formerly managing director of SKF (U.K.), and a trade unionist, Mr. John Lyons, of Electrical Power Engineers Association, to the Organising Committee to make up the part-time members of the Board.

Both Lord Ryder, who will be getting £31,850 per annum as chairman and Mr. Murphy, who will receive £26,000 will have salaries substantially above the average for public sector chiefs, the Industry Department said yesterday.

The differential, it explained, was in line with the recommendation of Lord Boyle's Top Salaries Review Board but was substantially below the £45,000 for the NEB chairman and £30-£35,000 for the deputy-chairman actually suggested by the Review Board.

This level was not being paid because of the Government decision not to implement the rises recommended for other public sector chiefs. As a result Lord Ryder will actually receive considerably less than the new chief executive of the British Leyland Corporation, which the NEB will own.

*In making the NEB appoint*ments, the Government is clearly hoping to give the Board, which held its first formal meeting *yesterday, a more acceptable face* to industry and the City.

Mr. Murphy's appointment, in particular, will bring into the organisation not only a respected City figure with an industrial and Civil Service background, but also *provide* some balance and support to Lord Ryder as the chairman and chief executive.

While long a supporter of the Labour Party, Mr. Murphy, who is 60, yesterday stressed that his intention was to help industry rather than confront it and to "take the politics out of the development."

He said he had discussed his *working relationship with Lord* Ryder and saw his role as one with the financial and planning responsibility that he had been *following in Schroders.*

The full list of part-time members, receiving a salary of £1,000 a year, is now Mr. David Basnett, general secretary of the GMWU; Mr. John Lawrence Dickinson; Mr. William Barr McKinnin Dun*can; Mr. Michael Owen Edwardes,* chairman of the Chloride Group; Mr. John Gardiner, managing director of the Laird Group; Mr. John Lyons, *general secretary of* the TGWU.

Mr. Basnett, Mr. Edwardes, Mr. Gardiner and Mr. Urwin were members of the Organising Committe for the NEB under Lord Ryder's chairmanship.

Men and Matters, Page 18

Dispute stops isle's parcels

THE POST Office is temporarily *suspending the parcel service to* Guernsey because of industrial action by harbour workers.

From to-morrow no parcels *will be accepted over Post Office* counters for addresses in Guernsey. Letters go by air to the island and so are not affected.

Continued from Page 1

Devolution proposals

serving and strengthening the unity of the U.K. That would be the aim of the Conservatives' constructive approach to the forthcoming debate.

"We Conservatives will continue to stand firm against those who wish to destroy the basic unity of the U.K.," he said.

"We will press for sensible devolution which will decentra*lise administration without creat*ing unworkable systems which are bound to create new bureaucracies at greatly increased costs."

But Mr. Nicholas Edwards, Shadow Welsh Secretary, was more outspoken. He claimed that the proposals would not mean better government but would be likely to lead to a breakup of the U.K. "The com*plex system of reserve powers* retained by the U.K. Government is likely to be unworkable and a source of continuing conflict."

Mr. Alick Buchanan-Smith, Scottish Tory spokesman, argued that the proposals were a "recipe for conflict" between a Scottish Secretary of State and a rival Scottish Government.

"This not only endangers the unity of the U.K. but could slow down government in Scotland in a morass of badly framed legislation followed by recrimination, bickering and delay," he said.

Of more concern to Ministers was the very mixed reception given to the White Paper by some Labour MPs. Arch-devolutionist Mr. John Robertson (Paisley) commented: "The Assembly will be very closely caged like lions at Edinburgh zoo. It is the formula of a lion tamer and a recipe for dissension."

Mr. Jim Sillars, a leading Left-wing devolutionist, called the White Paper "a profound disappointment." The good points, such as new-style committees, were swamped by paragraph after paragraph of negative thinking. The tone seemed to convey distrust of the concept of imaginative devolution of power

The Scottish group of Labour MPs, who are *split on* devolution, will meet on December 9 to plan tactics and to put pres*sure on the Prime Minister* to announce the proposed date for Scottish Assembly elections.

Pressure on U.K. over import curbs

BY PAUL LEWIS, U.S. EDITOR WASHINGTON, Nov. 27

HEAVY DIPLOMATIC pressure is being brought to bear on the U.K. Government by the U.S., Japan and several Common Market countries to change its mind at the 11th hour and refrain from introducing any import controls.

Over the past few days high-level and strongly worded repre*sentations have been made to* British embassies in Washington, Tokyo and a number of Common Market capitals warning of the *damaging precedent such con*trols would create and the serious diversionary effect they could have on world trade.

The Americans are particularly annoyed at the way Mr. Harold Wilson, the Prime Minister, claimed that controls had been endorsed by the Rambouillet summit meeting. They maintain that no such endorsement was *given* and that Mr. Wilson twisted an innocuous remark by Mr. William Seidman the White House economic counsellor, to give the impression that President Ford was acquiescing.

At one of his first briefings during the Summit, Mr. Seidman told the Press that the six heads of Government thought it imperative that countries avoid import controls unless situations were exceptional and unforeseen. The Americans now say this was a ritualistic reference to the GATT escape clause and not the grudging approval of British controls that Mr. Wilson claimed.

The American position at the moment, which appears to be very similar to that taken by Japan—is that the "Rambouillet *communique* specifically reaffirmed the pledge the major countries had already taken in the OECD" is to refrain from protective trade measures. Any British import controls, whether justifiable under GATT or not would be highly undesirable in the present world situation, and a breach of the spirit of Rambouillet.

Weather

U.K. TO-DAY

RAIN. Snow on high ground.

London, S. England, Channel Is.
Rain clearing to showers with bright intervals. More rain possible later. Wind W., fresh or strong, local gale. Max. 9C (48F).

E. Anglia, Midlands, N.W. and Cent. N. England, Wales
Bright intervals and showers. Wind N.W., fresh or strong, local gale. Max. 8C (46F).

Lakes, I. of Man, N.E. England, Scotland, N. Ireland
Bright intervals and showers, heavy at times. Snow on high ground. Wind N.W. or N., strong or gale. Max. 7C (45F).

Outlook: Changeable.

Lighting-up: *London* 16.27, Manchester 16.27, Glasgow 16.23, Belfast 16.37.

BUSINESS CENTRES

	Y'day Mid-day	°C	°F		Y'day Mid-day	°C	°F
Amsterdm.	C	5	41	Madrid	C	8	46
Athens	F	15	59	Manchstr	C	11	52
Bahrain	S	26	80	Melbourne	S	19	66
Barcelona	F	13	55	Mexico C.	S	20	68
Beirut	C	19	66	Milan	Sl	1	34
Belfast	C	7	45	Montreal	Sn	−1	30
Belgrade	S	−1	30	Moscow	S	−5	23
Berlin	C	2	36	Munich	C	2	36
Birmghm.	C	10	50	Newcastle	C	8	46
Bristol	C	11	52	New York	R	11	52
Brussels	F	12	54	Oslo	C	4	39
Budapest	C	−3	27	Paris	C	5	41
B. Aires	C	28	82	Perth	S	24	75
Cairo	C	22	72	Prague	C	−3	27
Cardiff	F	12	54	Reykjavik	C	−3	27
Cologne	S	6	43	Rio de J'o	R	27	78
Copnhagn	R	4	39	Rome	R	10	50
Dublin	C	9	48	Singapore	C	25	78
Edinb'rgh	S	9	48	Stockholm	R	4	39
Frankfurt	Sl	3	41	Strasbourg	S	8	46
Geneva	F	−1	30	Sydney	S	22	72
Glasgow	C	5	41	Tehran	R	15	59
Helsinki	C	−1	30	Tel Aviv	F	26	79
H. Kong	S	20	68	Tokyo	F	11	52
Jo'burg	F	29	84	Toronto	C	5	37
Lisbon	F	15	59	Vienna	S	2	36
London	R	9	48	Warsaw	F	−2	28
Luxembrg.	C	2	36	Zurich	C	4	39

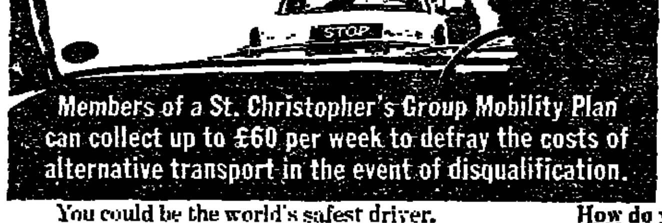
HOLIDAY RESORTS

	Y'day Mid-day	°C	°F		Y'day Mid-day	°C	°F
Ajaccio	C	15	59	Jersey	R	10	50
Algiers	R	17	63	Las Plms.	F	20	68
Biarritz	C	9	48	Locarno	Sn	1	34
Blackpool	R	10	50	Majorca	S	12	54
Bordeaux	C	10	50	Malaga	F	17	67
Boulogne	R	5	41	Malta	R	21	70
Casablnca.	R	15	59	Nairobi	S	24	75
Cape Tn.	C	21	70	Naples	S	16	61
Corfu	S	14	57	Nice	R	7	45
Dubrovnik	C	8	46	Oporto	R	11	52
Faro	F	17	63	Rhodes	S	15	59
Florence	C	10	50	Salzburg	C	2	36
Funchal	R	16	61	Tangier	C	16	61
Guernsey	S	11	52	Tenerife	R	13	55
Innsbruck	S	2	36	Tunis	F	21	70
Inverness	F	4	39	Valencia	S	15	57
I. of Man	C	9	48	Venice	C	7	45
Istanbul	R	5	41				

S—Sunny. F—Fair. C—Cloudy. R—Rain. Sl—Sleet. Sn—Snow.

COMPANY DIRECTORS

CAN YOU AFFORD TO HAVE A KEY EXECUTIVE LOSE HIS LICENCE



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